

Annex

Official Journal

of the

European Communities

No 2-333

English edition

Debates of the European Parliament

1985–86 Session

Report of Proceedings

from 9 to 13 December 1985

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.

The original texts of these interventions appear in the edition published in the language spoken.

SITTING OF MONDAY, 9 DECEMBER 1985

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IN THE CHAIR: MR PFLIMLIN

President

(The sitting was opened at 5 p.m.)

1. *Resumption of the session*

President. — I declare resumed the session of the European Parliament adjourned on 15 November 1985.

Mr Antony (DR). — *(FR)* Mr President, I must express my surprise at a resolution which has serious implications for me personally. Mrs Fullet, a Socialist member, is asking you, Mr President, in her motion for a resolution to inform Parliament and yourself of

the part I play in the dissemination of writings and remarks of a kind likely to provoke racial hatred.

I declare this proposal unacceptable and I shall, of course, take legal action on the matter, which is part of a procedure which the magazine 'Itinéraires' calls 'legal and moral assassination'.

May I remind you that I am neither racist nor anti-semitic, as I was accused of being by Messrs Rollat and Plenel, journalists with Le Monde, who launched a campaign of libel against me. They were the losers, as everybody knows, because my rights were upheld by the French law-courts during the five law-suits which I have just won. As a former honorary president of the association of Jewish students repatriated from Algeria, one of whom spoke in my defence recently, I can only declare Mrs Fullet's remarks to be seriously defamatory.

I am president of the Christianity-solidarity committees which are set up in 26 countries around the world,

Antony

and it is very serious to accuse me of being racist when these committees are struggling everywhere, in the world against totalitarianism and their co-founder, my friend Neminadane is blacker than any of Mrs Fuillet's blackest portraits.

If anybody is racist, Mr President, it is not me, but it is the Socialist members, led by Mr Fabius, who label as racist my attachment to French and Christian values.

This resolution refers to a possible link between articles which I never wrote nor published and certain attacks. I think it would be better if the Socialist Members held their tongue on the matter, because if there are attacks, it is because in 1981 they freed Rouillan, the evil Action Directe terrorist and his accomplices. Yes, it is always the arsonists who shout fire. It was Mr Plenel, who two years ago launched this well-known campaign against me, Mr Plenel who was formerly responsible for relations between Krivine's Revolutionary League and Mr Yasser Arafat's terrorist organization. The person really responsible for drafting this resolution which implicates me is one of Mrs Fuillet's assistants who enjoys dual French and Israeli nationality, but who is an agent working for the Israeli Communist Party.

Therefore, Mr President, I am very surprised. On one side we have wolves who themselves cry wolf and, on the other, a friend of the State of Israel and the Lebanese Christians that I am. It goes without saying therefore that I should return these accusations to the person who made them.

What would happen, Mr President, if I resorted to Mrs Fuillet's methods, who, it seems, is referring to remarks made by one of my followers? I have no follower and what if I were to say that Mrs Fuillet's followers express their admiration for Tseu-Hi or for Lucretia Borgia or for Stalin, Attila or Landru? It would be exactly the same. To reproach a politician with the remarks of I do not know what made-up follower — what have we come to?

Mr President, ladies and gentlemen, I am taking this opportunity of telling you that I am taking legal action against Mrs Fuillet for defamation, which she well deserves, and this will of course take into account the rules on parliamentary immunity.

Let Mrs Fuillet be reassured, she will not be joining the mayor of Marseilles's 80 companions in the Baumettes.

President. — Your statement is noted.

Mrs Fuillet (S). — (FR) Mr President, it is true that I tabled a motion for a resolution after I had read an article in a French daily, which would of course attract my attention because I am an acting member of the

Committee of Inquiry on the Rise of Fascism in Europe.

Mr President, in this resolution I am asking you to find out for yourself; that's all. I think that Mr Bernard Antony or Mr Romain Mary — whichever you like — could, if he wished to take legal action for defamation against anybody, start with the author of this article. Second, what would you think, Mr President, of my reading in a book written admittedly by Mr Zelig — that Mr Romain Mary, a notorious anti-semitic, founded in 1984 the National Alliance against racism, anti-Christianism and incitement to anti-French hatred?

Mr President, I did not wish to bring the debate into this House — it is not the place for it. Let me simply say this: Mr Romain Mary or Mr Bernard Antony wishes to take legal action against me for defamation. Let him do it, and in the law-courts of my country; and I myself, Mr President, have every confidence in them. However, Sir, I consider that you have gone too far in attacking a Socialist Group stagiaire, called Mr Barza, who in fact does not enjoy parliamentary immunity. And what is more, I think you are 'a little jumped-up Johnny' despite your airs and graces. That I wanted to tell you in front of the whole Parliament.

As far as I am concerned, the matter is closed. I am referring first to the follow-up to my motion for a resolution and second, to how Mr Antony intends to follow up his threats to take legal action against me. We shall see, Sir, how the French law-courts will deal with the problem.

Mr Pannella (NI). — (FR) Mr President, I should like to say something about what we have just heard, but I hesitate because I think that our Rules of Procedure do not allow us to open a debate in this way. Therefore, I should like to know, Mr President, if I am right in feeling constrained in this way and if this also applies to the whole House?

President. — No, Rule 67 of the Rules of Procedure states that any Member of the House may speak for a maximum of three minutes to make a personal statement.¹

2. Agenda

President. — At its meeting of 12 November 1985 the enlarged Bureau drew up the draft agenda which has been distributed.

¹ *Approval of Minutes — Petitions — Authorization to draw up reports — Transfers of appropriations — Written declarations (Rule 49) — Withdrawal of documents — Documents received — Texts of Treaties forwarded by the Council — Membership of Parliament: see Minutes.*

President

At its meeting this morning the chairmen of the political groups instructed me to propose a certain number of amendments.

Monday

I have received two requests, under Rule 56 of the Rules of Procedure — one from the Socialist and the other from the Rainbow Group, to delete from the agenda the debate on the report (Doc. A 2-160/85) by Mr Evrigenis on the findings of the Committee of Inquiry into the Rise of Fascism and Racism — Item No 262.

Mr Arndt (S). — *(DE)* Mr President, we tabled this amendment for various reasons which I shall explain to you now. One of the most important is that neither the report nor the annexes are available in all the official languages. The large scope of the report and the comprehensive nature of the annexes made it impossible therefore for the report to be examined in detail by all the Members.

We consider this to be a very important report and, in my opinion, it would be in keeping neither with the Rules of Procedure nor with general parliamentary custom if we were to discuss this report today. However, if some Members think the report should be discussed, then clearly it will not be examination of the report but simply because they say it must appear on the agenda.

I have another reason: we consider this to be a very important report and we can see that the agenda is already quite heavy. If we were to give the subject the detailed discussion it deserves this evening, we should run into insurmountable difficulties. You are aware that all members of the Committee of Inquiry have asked that the report should not be discussed today and that the enlarged Bureau should fix a new date. I am assuming therefore that a majority of Members were not prepared for a debate but went on the assumption that the report would be deferred.

I should like to ask the House to vote in favour of deferral. This would be the best way of dealing with the matter and there would not be any suspicion that an attempt was made to force it onto the agenda for political reasons.

I should like to ask you therefore to adopt this amendment of the Socialist Group.

Mr Schwalba-Hoth (ARC). — *(DE)* For fourteen months now, that is from 25 October last year until 10 November this year, the Committee of Inquiry into the rise of Fascism and Racism has been familiarizing itself with the problem and has drawn up a comprehensive 142-page report. On 19 November, this Committee voted unanimously, first on the basis of this

report to address a question both to the Commission and to the Council and also to ask them to make a statement on the report in the House when they are replying to the question. We wanted an in-depth general debate adapted to the situation. And what are we confronted with?

With the narrowest of narrow majorities, that is, with a single vote we reached a decision to discuss this report for one and a half hours today and then in January and February, a month or two later, to discuss the answers of the Commission and the Council. We are deliberately rending asunder a subject on which a committee worked fourteen months long.

How are we to debate such an issue if we are forced to refer to speakers who have taken the floor four or eight weeks previously? How is the press to give proper coverage to the concern we shared with this committee, if two deliberately separate debates take place?

I reiterate therefore Mr Arndt's appeal to your common sense, in accordance with the unanimous vote of the committee not to allow a debate to take place, and in January or February, when the answers of the Council and the Commission are at hand, to hold a thorough and in-depth debate which reflects the seriousness of the situation. I am asking you therefore to adopt the amendment for deferral.

Mr d'Ormesson (DR). — *(FR)* Mr President, I should like to draw your attention to a legal aspect of this debate. If we decide upon referral, the report cannot be presented this evening because it would contravene Rule 87. Consequently, if the decision is for referral, it is the entire debate which will have to be referred back; and a debate on what, Mr President? On a report which is in no way a report, because we could not possibly call the study submitted by Mr Evrigenis a report?

Second, this report contains clear errors which seriously affect my fellow member, Mr Almirante, because on page 41 it states that Mr Almirante was Minister of Justice in the Italian Government during the second world war, which is not true at all.

You were very wise, Mr President, to ask the Bureau to open a debate without vote amendments today. It is not for me to judge the procedure through which the Socialist Party is trying to organize for the January or February part-session a debate to which the press would be invited.

At the Vice-Presidents' conference this morning it was argued that the debate could not take place this evening because the press would not be there. But it is not the press who is running our affairs here in this House! I myself dispute the basis of this report. Let me remind you that my group tabled a motion of censure against this committee, and part of this Parliament

d'Ormesson

requested that it should be declared inadmissible. Since 2 May the Court of Justice has still not handed down a decision on the validity of the work of this committee. All these reasons lead me to conclude that it would be very much wiser to follow your conclusions and hear Mr Evrigenis this evening, debate his inquiry and conclude our business on this report this evening.

Mr Ford (S), *chairman of the Committee of Inquiry into the Rise of Fascism and Racism in Europe*. — Mr President, I thank Mr d'Ormesson for his comments, because it is true that the English text I have does indicate on page 39 that Mr Almirante was the Minister of Justice in the Salo Republic. That issue was raised at the last meeting of the Committee of Inquiry and, in fact, the committee asked that the report be corrected in this matter. It would appear that the documents being distributed are not actually the final text of the report. We do not have the final text. We have one that has not been amended as was agreed in the committee. It therefore appears — at least in English — that we do not have the appropriate document to discuss this evening. I have not had time to check the other points that were corrected by the Committee of Inquiry at its last meeting. It would appear that we have the wrong text in English. Therefore I think it would be impossible for the debate to take place this evening because, as Mr d'Ormesson so fairly pointed out, there are errors that were corrected by the Committee of Inquiry in the final version.

(Parliament rejected the two requests)

Mr Lomas (S). — Mr President, is the vote not somewhat irrelevant in view of Mr Ford's statement that the document we have in front of us is not the correct document and has not been updated? How can we, therefore, debate or vote upon a document we do not yet have?

President. — The House can decide as it sees fit.

Mr Schwalba-Hoth (ARC). — *(DE)* Mr President, as I have so often done in the past, I am appealing to your wisdom. I looked around and saw how many Members raised their hands when the result was announced, to indicate that their machine was not working. Should we not now repeat this simple voting procedure, now that the system has been switched on? We all know that these machines had serious teething problems and that they were not functioning at the beginning of the sitting. If this is not done, we shall have a never-ending debate on account of one or two votes. I think it would be best to repeat the vote.

(Mixed reactions)

President. — Ladies and gentlemen, I regret that some machines were not working. I would however point out that the vote was exceptionally long. Although we usually proceed very rapidly, I still waited and twice asked whether anyone else wished to vote. After I had asked the second time I still waited for a moment before closing the ballot. No one, therefore, could have been taken by surprise. Three Members did indicate that their machines were not working as well as the manner in which they wished to vote. These three votes were taken into account before the ballot was closed. I cannot therefore agree to call into question the results of the vote after the ballot has been closed, particularly as the ballot was held in perfect conformity with the Rules and, I repeat, with much longer delays than we usually have.

(Applause)

Mr Arndt (S). — *(DE)* Mr President, even if I was in a minority I think it would be an impossible situation if we were to continue to repeat votes, simply because some more Members came into the Chamber and pressed their buttons. Even if one has lost by only one vote, it is accepted, in Parliament, that one has lost.

Nevertheless, a previous speaker made the point that the report was not available in all the languages. I should like this statement to be checked, Mr President. You have time before the report is dealt with. Should this prove to be correct, may I request that you refer to the Rules of Procedure and check whether all reports are available. If they are not, they cannot be discussed. If the reports are not available as they should be you cannot invoke them.

President. — According to the information which I have received the report has been translated into all the languages and only the annexes are outstanding.

Under Rule 56 of the Rules of procedure Mrs Eber, chairman of the Committee on the Environment, Public Health and Consumer Protection and 20 other Members have requested that the second report (Doc. A 2-156/85), by Ms Tongue, on behalf of that committee, on safety in hotels, which in the draft agenda is down for Friday, should be brought forward to today, Monday, 9 December 1985.

Ms Tongue (S). — Mr President, this is not, in fact, a second report at all. It is the same report and we would only require a vote or perhaps a very short debate on it. We would like it to have the prominence it deserves by having it debated here on a Monday and not on Friday, after everyone, including the press, has decided to go home. We want to expose the fact that the Council is refusing to listen to the unanimous voice of Parliament on this matter which is of concern to the majority of European citizens.

Mrs Lentz-Cornette (PPE). — (FR) I do not see why the reports which were scheduled to be dealt with on Friday should be brought forward to today. Mr Parodi had asked the President in writing to bring forward his report and, as far as I know, that has been done. I do not know why some people, members of one committee or another, wish their reports to be brought forward to Monday. In any case, if the report on fascism is examined today along with those already on the agenda, we shall not have time to examine yet another one. And if we continue to turn our agenda upside down, where shall we end up?

(Applause in the centre and on the right)

(Parliament rejected the request)

President. — Mr Van der Lek and nine others have requested that the report (Doc. A 2-153/85) by Mr Parodi, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on medicinal products, which is down as No 292 on Friday, should be brought forward to Monday.

Mr Van der Lek (ARC). — (NL) Mr President, this is an important matter, in terms of both public health and consumer protection: the sale of new pharmaceuticals. It was also a controversial issue in committee, and the majorities obtained during the voting were very small. It must be possible to have a serious debate on this subject. There are already far too many reports on the agenda for Thursday and Friday. If I understand the agenda correctly, this report is to be debated at about 12.50 p.m., and that is no way to treat so important a matter.

It is very often the case that reports from the Committee on the Environment, Public Health and Consumer Protection are placed very low on the agenda. In this particular instance that is quite unacceptable, in my opinion. I now hear — I did not know this before — that Mr Parodi has also asked you in writing to choose a better time for the debate on this major report. I am therefore officially proposing once again that this be done. Unfortunately, I can think of no better time this week than today. But if that is not possible, I feel it would be better to postpone the debate, but I would then insist that it be taken at a time during the next part-session when we can be sure there will be a good debate here in the Chamber.

Mrs Lentz-Cornette (PPE). — (FR) As I have just said, Mr Parodi sent you a letter to which he received a negative reply. His report was therefore entered on the agenda for Friday. I have asked Mr Parodi to join us during the week, and he replied that he would arrive tomorrow. That is why we cannot now move this report, which is due to be discussed on Friday; it cannot simply be entered on today's agenda because

the rapporteur is not here and to replace him would present us with enormous technical difficulties.

(Parliament rejected the request)

Mr Cassidy (ED). — Mr President, on today's agenda all of the items for debate, from No 258 to No 261, are followed by the phrase 'followed by the vote'. My question concerns Item No 263 — the report by Mr Nordmann. Are we going to be voting on it today or later in the week?

President. — The words 'followed by a vote', as you have pointed out, only appear after the three reports by Mr Donnez. In each of the three cases it concerns the waiver of parliamentary immunity. Only these three reports will be voted on this evening.

Again, as regards Monday, the chairmen of the political groups have instructed me to propose that the report (Doc. A 2-161/85) by Mr Didò, on behalf of the Committee on Social Affairs and Employment, on the review of the European Social Fund, which is down for Thursday as item No 280, should be entered at the end of today's agenda.

Mr Welsh (ED). — Mr President, I am not sure if I heard you correctly, but did you say the debate on the Didò report was going to be tonight and the vote tomorrow, or did you say the debate was going to be tomorrow?

I have a second point. That is, as you will remember Mr President, at the last part-session Parliament under Rule 36 referred back the Pisoni report to the Committee on Social Affairs and Employment. I would like to suggest that the Pisoni report be added to the debate on the Didò report so that the Commission can make its declaration and that matter can be disposed of.

President. — If we have to deal with several matters together we will never arrive at a solution.

For the moment we are dealing with the Didò report. So far nothing has been decided. As I pointed out it was the chairmen of the political groups who proposed that this report should be entered on today's agenda. The reason is that the Council has insisted on the urgency of this report.

(Parliament adopted the proposal of the political group chairmen)

The vote will be taken on Wednesday.

Mr Patterson (ED). — Mr President, why is it that the leaders of political groups and you yourself have

Patterson

decided not to put on the agenda the Wedekind report on the amendment of our Rules of Procedure with regard to the figures and quotas contained in those Rules? I understand that this was originally taken off because of the contentious matter of the number of the Vice-Presidents. But as the issue of the number of Vice-Presidents no longer features in the Wedekind report, it seems to me quite essential that we should adopt this particular report this month. We go into the new session with a Parliament enlarged by 25%, yet all the figures in our Rules of Procedure refer to the old Parliament. Therefore, such matters as how many Members it needs to call a quorum will remain exactly the same even though the Parliament is 25% larger. We shall have no opportunity to change our Rules of Procedure for quite a considerable time because you need a budgetary majority to effect that change. Therefore, may I ask why it is that the Wedekind report does not feature on our agenda along with the other Committee on the Rules of Procedure and Petitions reports?

President. — The chairmen of the political groups did take the view that the Wedekind report should not be entered on the agenda for the present part-session since it deals with matters which also concern our future Spanish and Portuguese colleagues. The group chairmen felt that this matter should not be dealt with in the absence of the future Spanish and Portuguese Representatives.

(The President read out the list of amendments to Tuesday's agenda)

Wednesday

Pursuant to Rule 56 of the Rules of Procedure, Mr Poniatowski, chairman of the Committee on Energy, Research and Technology, and 20 others have requested that the oral question with debate (Doc. 0-168/85) to the Commission, on the Eureka project should be included in the debate on the European Council, item No 273.

Mr Poniatowski (L), chairman of the Committee on Energy, Research and Technology. — *(FR)* Mr President, not only I but the whole committee voted unanimously for this statement.

In accordance with Rule 42(1) and Rule 56(1) we asked that this oral question be entered on the agenda given that it was submitted within the required deadline — seven days before — and is therefore admissible.

What is the question which is of such great interest to the entire Parliament and the Commission? A meeting has taken place in Hanover, decisions were made, but the role of the Commission has not been very clearly defined. Next January, another meeting of ministers

will take place, at which the role and composition of the Eureka secretariat will be defined along with its location and the role of the committee. These are topics which concern all of us here in Parliament, and we should like to submit an oral question to the Commission so that it may clarify its position on the Hanover meeting before the January meeting, and explain its position in the coming discussions and negotiations.

Mr Mallet (PPE). — *(FR)* Mr President, I think this unanimous request by the Committee on research and Technology deserves some support. There is a close link between this discussion and that on the follow-up to the European Council meeting in Luxembourg. The future of a technological Europe and the future of the Community should be considered together if the Community is to have a future at all.

Mr Arndt (S). — *(DE)* Mr President, we should at least inform the House — as is usual practice in the voting procedure — that the chairman of the political groups agreed today to suggest to Parliament tomorrow that this should be treated by urgent procedure. No matter how the voting goes, this topic will thus be proposed in any event in plenary sitting. The final decision will then be taken by the House.

President. — Mr Arndt is quite correct. Group chairmen felt that urgent procedure would be better than that of an oral question with debate.

(Parliament approved the request)

Thursday

Regarding the oral question with debate (Doc. B 2-1184/85) by the Socialist Group and the Communist and Allies Group, to the Commission, on the disposal of agricultural stocks, down as Item No 277, I have received two requests under Rule 56 of the Rules of Procedure:

- from the Group of the European People's Party to include in the debate the oral question by Mr Bocklet and others, to the Commission, on the promotion of butter sales and the liquidation of butter stocks;
- from the European Democratic Group, to include in the debate the oral question (Doc. 0-144/85) by Mr Elles and others, on the market in beef and veal.

We shall begin with the request from the European People's Party.

Mr Bocklet (PPE). — *(DE)* Mr President, it has hitherto been usual practice to deal with all questions relating to a particular subject together. We simply

Bocklet

want to proceed in the same way here. I should like to point out that my question was tabled before Mr Wolter's, because it had a lower number.

Mr Arndt (S). — (DE) Mr President, I shall vote with my group for the amendment. Nevertheless, I should like to make one thing clear: it called for a great show of strength on the part of my group and a reference to the Rules of Procedure, to persuade the chairmen of the other groups to enter our oral question on the agenda at all, because the majority of the group chairmen were against such a move. It was only when we insisted that we had the right to enter an oral question on the agenda that it was then done. I think therefore that it is only right that I should remind you of this.

My group will therefore vote on the admissibility to the agenda of Mr Bocklet's oral question which was not a group question, and also for the admissibility of Mr Elles's oral question, which was likewise not a group question, so that we can give the matter comprehensive treatment. Nevertheless, I would point out that this is not a full debate on agriculture, but can only be a question of debating the distribution of stock inventories.

(Parliament approved the request by the European People's Party)

(Parliament adopted the request by the Group of the European People's Party)

President. — We shall now take the request by the European Democratic Group.

Mr J. Elles (ED). — Mr President, very briefly I have the same reasons as Mr Bocklet for asking for this to be tabled and welcome Mr Arndt's acceptance that it go onto the agenda. I would appreciate it if the Assembly would vote in favour of this proposal.

(Parliament approved the request of the European Democratic Group — the President read out the amendments to Friday's agenda)

Mrs Crawley (S). — Mr President, before adopting the agenda, can we be assured that the various statements by the Commission during this week's business will include up-to-date details of the Commission's proposed package of measures and sanctions against apartheid in South Africa?

I understand, Mr President, that you have received correspondence from the Commission on the difficulties that it is experiencing in the face of the United Kingdom's continued opposition to any package of sanctions *vis-à-vis* South Africa. We realize that the media and the press have been censored in South

Africa and we would not want the message to go out before we close this part-session that Parliament is not concerned about the continuing killings and deaths in South Africa. We want an up-to-date statement by the Commission covering also the obstacles they are facing.

President. — Mrs Crawley, I fully appreciate the importance of the question you have raised, but we cannot at this time add a further item to the agenda. Moreover I have not received any communication on this subject from the Commission.

(Parliament adopted the agenda as amended)¹

3. Waiving of parliamentary immunities

President. — The next item is the report (Doc. A 2-164/85) by Mr Donnez, on behalf of the Committee on Legal Affairs and Citizens' Rights, on the second request to waive Mr Enzo Tortora's immunity.

Mr Donnez (L), rapporteur. — (FR) The following events led the Italian authorities to ask us to waive Mr Tortora's parliamentary immunity.

You will remember that on 10 December 1984 we decided to waive Mr Tortora's parliamentary immunity as he was being sought at the time by the Italian judicial authorities led by two detectives whom you have not forgotten.

As a result of this decision, Mr Tortora was taken to court. During what proved to be a very long drawn out trial, which lasted until 26 April 1985, the Public Prosecutor, after an exchange of words with Mr Tortora's solicitor made the following statement, which was given to me by the Italian judicial authorities, regarding Mr Tortora: 'He was elected with the votes of the Camorra and this is how he became a Member of Parliament'.

On being questioned on this statement by Mr Tortora's solicitor, the Public Prosecutor confirmed: 'I did state that Mr Tortora was elected with the votes of the Camorra'. It was then that Mr Tortora shouted out: 'E un'indecenza'. And it is this expression, 'it is outrageous' which today is considered to be an insult to a magistrate, and it is on account of this insult that the Italian judicial authorities are today charging Mr Tortora with contempt of court and are asking us therefore to waive his parliamentary immunity.

I have already reminded you of the principles several times. I shall therefore confine myself to reminding

¹ *Agenda — Urgent procedure (Rules 57 of the Rules of Procedure) — Deadline for tabling amendments — Speaking time — Membership of Parliament: see Minutes.*

Donnez

you that the parliamentary immunity which we enjoy is provided for in Article 10 of the Protocol of the Privileges and Immunities of elected Members of the European Parliament. This Protocol is annexed to the treaties setting up the Community and Article 10 ensures particularly that Members of the European Parliament enjoy in the territory of their own State the immunities accorded to members of their national parliament, which implies, in this case, that Mr Tortora enjoys in Italy the same parliamentary immunity as that enjoyed by the Italian Members of Parliament. On the subject of Article 10, which provides for Parliament to waive the parliamentary immunity of any deputy if it is requested to do so by the competent authority, we have in some way set up a kind of jurisprudence which is different from that of the national parliaments in each of our countries, and I should like you to make this important distinction. The immunity is identical; waiving parliamentary immunity remains at the disposal of every parliament concerned — I shall come back to this later concerning Mr Pannella. For the moment, let us simply note that our principles — this jurisprudence to which I referred — are now well established and that we have decided particularly that parliamentary immunity is not a personal privilege, but a guarantee for our parliamentary institution in respect of whatever other institution. We also decided that parliamentary immunity could not be waived every time the political activities of a member were the subject of a judicial inquiry. This implies that we intend to protect the political activity of the Members of the European Parliament, to the extent that there is a close link between political activity and a Member's mandate. We also decided — and this in relation to something that concerns Mr Zahorka, to which I shall refer in a few moments — that we should apply the old Latin adage *fumus persecutionis*, in other words, in all cases of criminal proceedings against a Member of Parliament which might prejudice his political activities, we decided that there was no question of waiving parliamentary immunity.

In the light of these principles, the Legal Affairs Committee — which intends confirming, even affirming even more, these principles — is asking you not to waive Mr Tortora's parliamentary immunity. If we all respect wholeheartedly the magistrates — and I personally will not forget my vow: my respect for magistrates is total and absolute — we Members of the European Parliament intend to ensure that magistrates, whoever they are, exercise as much reserve as possible in their dealings with us. The Legal Affairs Committee, which had to consider the remarks of the Public Prosecutor of which I have just spoken, made a unanimous protest against such remarks, thought to be intolerable, before we were even given the request for the waiver of parliamentary immunity.

It is intolerable to say to a Member of Parliament, 'you have been elected by the Camorra', or 'you have been elected by the Mafia', or 'you have been elected by the Marseilles milieu', or whatever pressure group.

We have all been elected to Parliament by the citizens of our countries, that is the truth of the matter, and we intend to be respected as such. It is essential to put the remark with which the Public Prosecutor reproaches Mr Tortora 'this is outrageous' in its context! Basically, in saying this, Mr Tortora was only replying to the *fumus persecutionis*. In this case, the intention to prejudice a Member over the manner of election is almost tangible. The Legal Affairs Committee asks you therefore unanimously not to waive Mr Tortora's parliamentary immunity.

In doing this, we will show that if we intend to respect the magistrature and all it represents, we also intend to protect our institution. I am sure you will all agree with me.

IN THE CHAIR: MR SEEFELD

Vice-President

Mr Barzanti (COM). — (*IT*) Mr President, ladies and gentlemen, we fully agree with everything that the rapporteur, Mr Donnez, has said. In effect, the words spoken by Mr Enzo Tortora on 26 April 1985, following a very unfortunate remark by the Public Prosecutor, can be described as a comment in reply to a serious, unsupported charge that strikes, as has been said, at the very democratic foundations of electoral procedure.

Faced with the impromptu accusation — made in the context of a lively, heated altercation — that he had been elected to the European Parliament with the votes of the Camorra, Enzo Tortora's statement in court is both understandable and justifiable.

For the Italian courts to have asked for these proceedings to be started shows a punctilious attitude with which we do not agree. However, I wish to make it clear that it is not primarily on account of the *fumus persecutionis*, which this attitude betrays, that we support the Donnez report. In reality the waiver of immunity should not in our view be granted, because the sentence that was spoken is covered by the inalienable right of criticism of the citizen — not to say Member of Parliament — Enzo Tortora.

President. — The debate is closed.

(*Parliament adopted the resolution*)

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President. — The next item is the report (Doc. A 2-165/85), by Mr Donnez, on behalf of the Committee

President

on Legal Affairs and Citizens' Rights, on the request to waive Mr Hans Jürgen Zahorka's immunity.

Mr Donnez (L), rapporteur. — (FR) This time we are to deal with a request for the waiver of Mr Zahorka's parliamentary immunity, submitted by the competent judicial authorities of the Federal Republic of Germany. If Mr Zahorka's parliamentary immunity were to be waived he would be charged with being an accomplice in theft. I shall summarize the facts for you, as the German judicial authorities have explained them to us.

At the end of 1984, a former client of Mr Zahorka, who is of course a lawyer, was accused as such by his former client of convincing him in 1982 to submit clean passports to the local authorities in Maagstadt, after which these passports were subsequently filled in by Mr Zahorka and one of his assistants to allow a Czech family wishing to live in the Federal Republic of Germany to cross the border. It was as a result of this that charges were preferred against Mr Zahorka, as I said a short while ago, for being an accomplice in theft. As Mr Zahorka had become a Member of Parliament in the meantime, it was of course necessary to request the waiver of parliamentary immunity, on which you must now decide.

I shall not reiterate the principles to which I referred some minutes ago except to point out that parliamentary immunity is not a privilege designed to protect one or other of us, but a means of protecting the entire institution; the fact that Mr Zahorka's election came after the acts with which he is charged today have strictly no bearing on the matter. The parliamentary mandate itself is to be protected, not Mr Zahorka the man.

I shall now look in more detail, if I may, at what we should understand by *fumus persecutionis*, because it is on the basis of this principle that the Committee on Legal Affairs is asking you yet again not to waive Mr Zahorka's parliamentary immunity.

I have spoken several times about the *fumus persecutionis*, this old Latin concept which could possibly be translated into French in the following way: it is smoke, the insidious smells, the consequences and after-effects which become almost a persecution in certain cases and which wrap themselves around legal proceedings, involving in his turn the individual who is accused of misdemeanours . . .

We have always thought that when the *fumus persecutionis* could be proven, there was no question of the waiver of parliamentary immunity.

If we looked a little more closely at the origin of the *fumus persecutionis*, we would truly realize that, except maybe in Great Britain, it goes back several centuries in our national parliaments. There was always some-

body who wished to hinder parliamentary or political activity; some wished to prejudice the member of parliament or the politician to prevent him from carrying out his mandate in the normal way, or indulging in democratic politics.

In this case, we must ask ourselves whether, in accusing Mr Zahorka of being an accomplice, his client wished to see justice done, or whether he wished to prejudice Mr Zahorka the politician, candidate for election to our Parliament by universal suffrage. We could also have asked ourselves if, supposing that the accusations were proven to be correct, the act of helping a Czech family to enter the Federal Republic of Germany was not a political act. However, the Committee on Legal Affairs stuck simply to the question I have just asked you: was Mr Zahorka's client not trying to prejudice the politician? However, when we look at some articles in the German press, when we look at the dates — in 1982 the accusations were made, in 1984 came the condemnation — we may well ask ourselves if Mr Zahorka's client did not wish to prejudice him. And the question as I have just stated it presumes that he was perhaps trying to prejudice Mr Zahorka in his professional activities but especially in his political activities. There was an attempt to prejudice him because he was a candidate for election to Europe.

Nobody among us can rule out the possibility of the will to prejudice, nobody! However, the *fumus persecutionis* is more often than not based on a simple presumption: was there not an attempt to prejudice? If the will to prejudice is possible in this case, the *fumus persecutionis* should play a role. This is perhaps why the Committee on Legal Affairs, considering that it should indeed play a role, is asking you today not to waive Mr Zahorka's parliamentary immunity. Here again I am sure that you will agree with me.

Mr Schwalba-Hoth (ARC). — (DE) I should briefly like to make it clear why not all Member States represented in the Rainbow Group and the German Greens can agree with the final recommendation of their rapporteur, Mr Donnez. Neither can I. It might be possible for me to do so had I any sympathy for such an act of civil disobedience as to break into the Office of the District President. I do believe, however, that it goes beyond the notion of civil disobedience.

I believe the basis on which there has hitherto been consensus in the committee on Mr Donnez's proposal will now be abandoned, and this is why I cannot accept it either. Our reason, finally, is that we cannot waive parliamentary immunity in cases where accusations against the person concerned are of a political nature.

In this case, it might be that a disappointed or embittered client of the lawyer, Mr Zahorka, would like to damage his political career. It is very possible, and

Schwalba-Hoth

nobody here can judge that. However, the accusation itself is not of a political nature. In a similar case, the Legal Affairs Committee of Parliament took a different decision to the one made in this case. I am thinking of the so-called Klöckner II case. The committee was under the impression that malevolent police officials wished to harm the Berlin politician Michael Klöckner, famous throughout the city for his campaign for better housing, by accusing him of having a brick and a 10 cm aerosol can of gas in his pocket. The court of first instance rejected these charges and we had to decide whether the case should be referred to another court. A large majority, including myself, voted in favour of the waiver of parliamentary immunity.

We should also waive immunity in this case and follow the logic the committee has followed till now. Personally, I would recommend to Mr Zahorka that he take legal action against his client for defamation of character to do away with this charge, even if the immunity should continue.

Mr Rothley (S). — (DE) Mr President, I should briefly like to explain why members of the Socialist group on the Legal Affairs Committee did not vote in favour of the request for the waiver of parliamentary immunity. First, Mr Zahorka had agreed to provide newspaper articles which resulted in the political campaign. He did not do so. The only article provided concerned the main proceedings in which the charges were filed. That was all.

Second, Mr Donnez spoke about the *fumus persecutionis*. However, he did not make a clear distinction between the accuser and the prosecuting authorities. According to all parliamentary rules, immunity is not waived if the *fumus persecutionis* is discovered in the prosecuting authorities and never when it alleged to emanate from the accuser. Political motives on the part of the accuser are irrelevant. To accuse the prosecuting authorities of prosecuting Mr Zahorka out of political motives is absurd.

Mr Schmid (S). — (DE) Mr President, let us get back to the Rules of Procedure. Would you please inform the House whether the person concerned may also participate in a vote on the waiver of parliamentary immunity.

President. — Mr Schmid, as far as I know there is no provision on this, at least nothing forbidding it, in the Rules of Procedure.

The debate is closed.

We shall proceed to the vote.

Explanation of vote

Mr Pordea (DR). — (FR) Each case of the waiver of parliamentary immunity has its own characteristics.

In the question we have been asked to examine today this seems particularly obvious at the humanitarian and democratic level, and that of defence and the protection of human rights.

Freedom is of course the most precious of these rights. Could a man be reproached with helping others to acquire it? in any case, there is absolutely no proof that he helped Czechs who wish to live in the free world and leave the prison of Eastern Europe. The alleged political aspects of this affair should not be raised, however serious they might be, because as Mr Donnez illustrated in his report, there is legally no proof of the intentions of Mr Zahorka's accuser. It is mere conjecture that the aim was to discredit our fellow member in his capacity as Member of the European Parliament.

On behalf of my group, I shall give my full and wholehearted support to the rejection of the request for waiver of Mr Zahorka's parliamentary immunity, which has no legal foundation.

(Parliament adopted the motion for a resolution)

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President. — The next item is the report (Doc. A 2-168/85) by Mr Donnez, on behalf of the Committee on Legal Affairs and Citizens' Rights, on the request to waive the parliamentary immunity of Mr Marco Pannella.

Mr Donnez (L), rapporteur. — (FR) I shall begin immediately to speak about the facts, if you do not mind, because practically everything seems to have been said about the principles, although certain aspects deserve to be dealt with more thoroughly.

In this case, the following facts led to Mr Pannella being charged by the competent Italian criminal court with persistent contempt of a court of law, obstruction of a public official, and refusal to give indication of identity: on 28 September 1976 the Presiding Judge of the Padua Divisional Military Court, which was responsible for trying officers or members of the Italian police force, informed the public prosecutor's department that he had received a telegram from Mr Pannella accusing him of illegal acts with a view to confiscating the freedom and rights of the detained men. The same day, in the courtroom — still of course according to the report — I am not speaking personally here — Mr Pannella, who was present, asked the Presiding Judge to read out the telegram which he had

Donnez

received. He was asked to leave the courtroom and resisted the Carabinieri who had approached him, saying: 'Arrest me. I'm in *flagrante delicto*. There is no reason why you should not arrest me. You know me anyway, and there is no point in showing you my papers'. These were the three police officers whom I have just spoken about. As a result of this, Mr Pannella was transferred to the nearest police station, from which he was freed a short while afterwards. Mr Pannella reappeared before the Military Court, accusing magistrates of being cowards and scoundrels and calling them traitors to the Constitution. Once again, I am only reading the verbatim report and nothing else.

Mr Pannella is both a Member of the European Parliament and, as you know, a Member of the Italian Parliament. The Italian Chamber of Deputies had to decide on the request for the waiver of parliamentary immunity with which it had to deal on three separate occasions because Italian custom requires that when a new Assembly is elected it must again take a decision. Thus, a first authorization, requested on 5 May 1977, was accepted as regards contempt of court. The request for the waiver of Mr Pannella's parliamentary immunity on the grounds that he refused to divulge his identity and he resisted police officers was rejected. I said that the Italian Chamber dealt with the matter three times. It made another decision in 1979 and published a deliberation in 1980, and decided again on 20 June 1984 in the same conditions at those I have just explained to you.

Today Mr Pannella has the possibility — if I may call it that — of being brought before the Italian law courts for contempt of court if we take the same decision as the Italian Chamber of Deputies. However, nobody can force us to do so and I should like to draw your attention to this. In fact, if you fall in line with the Legal Affairs Committee, it could well be the first time that we should be at odds with a national parliament as far as immunity is concerned. But that confirms what I was saying to you, that is, that a distinction must be made between the parliamentary immunity which each one of us enjoys — which is identical to that of a member of any national parliament — and the waiver of parliamentary immunity at national level as each one of our national parliaments has its own jurisprudence. We know the jurisprudence of the Italian Chamber of Deputies and it is different from ours. However, perhaps for the first time in the whole history of parliamentary immunity, if you follow the advice today of the Committee on Legal Affairs and Citizens' Rights, you will be acting contrary to the wishes of a national parliament. Although we all hold our national parliaments in very high esteem, we would thus be demonstrating the independence of our institution. And if you should follow our advice, Mr Pannella will continue to enjoy his parliamentary immunity because the Legal Affairs Committee is requesting you not to waive it.

In fact, the Legal Affairs Committee discussed the present case at length because the problem could be interpreted in two ways.

The first interpretation was that it is a political act to criticise a legal decision; it is a political act to criticise a military tribunal when one wishes this tribunal to be abolished. We are well aware that Mr Pannella, as leader of the Radical Party, wishes the abolition of the military tribunal in Italy — it is therefore a political act. Furthermore, there is the famous *fumus persecutionis* to which I referred earlier, that is the fact that the Italian criminal proceedings lasted so long, to say the least; I shall not provide you with the dates again. This was the first reason for not waiving Mr Pannella's parliamentary immunity.

The second interpretation was that we should show consideration for magistrates when we are dealing with judges exemplifying probity and dignity, and it is improper that insults should be levelled at a magistrate taking his seat to open a hearing. Of course, in our countries the magistrate is responsible for the application of our democratic rights and, consequently, he deserves particular protection. Therefore it could no longer be a political act, the second reason which militates in favour of the waiver of parliamentary immunity.

The Legal Affairs Committee finally decided to adopt the more important principle, political activity, the *fumus persecutionis*.

It is my great pleasure to transmit the Legal Affairs Committee's request not to waive Mr Pannella's parliamentary immunity, even if we are acting contrary to the wishes of the Italian Chamber of Deputies. But I must emphasize that this in no way means that we do not respect the decisions made by the Members of the Italian Parliament. On the contrary, we took a long look at their decision. We do not wholly share their view of things, but this is no doubt only natural in a democratic country and a democratic Community such as ours. On the basis of these remarks, I should like you to adopt the report of the Legal Affairs Committee.

I thank you, Mr President, and I have thus finished with my three cases of immunity for this afternoon; believe me, that is enough for this evening.

Mr Pannella (NI). — (FR) Mr President, I do not agree with the conclusions submitted by the rapporteur of the Legal Affairs Committee, but I share his feelings and understand his reasoning, as he explained himself to our committee.

He made no secret of his support for the waiver of parliamentary immunity. I have as it were to put what the rapporteur said in its context. The Committee quite simply refused to adopt his point of view.

Pannella

So, I share the rapporteur's initial point of view. Why, Mr President? I shall explain briefly. I went to this court nine years ago to go on trial. It was a Socratic manoeuvre. If one thinks that a law should be changed or that a magistrate, in carrying out his duty, is not respecting the law, one needs, as it were, to get oneself convicted in order to inform the public of a bad law or a bad magistrate.

This I set out to do and the extraordinary thing is — and this is what certainly influenced the vote of the Legal Affairs Committee — that the committee members say they wish to see my parliamentary immunity removed, but without my being put on trial. In spite of myself, I more or less forced the Italian Chamber of Deputies to agree to the waiver of my parliamentary immunity. They did not wish to do so. My threat to resort to filibustering obtained it for me; this was the price the Parliament would have to have paid had it not approved the waiver of my parliamentary immunity. It was waived three times during which time, more than one and a half years, I was not even called to court. They are afraid to put me on trial and one can even go further. I believe that as they suspected I would be successful in my attempt to force the Italian Chamber of Deputies to waive my parliamentary immunity in the preceding parliamentary term, they refrained from asking the European Parliament to do so, so that when the Chamber of Deputies agreed to the waiver, it was not then possible for the European Parliament to do so. In doing so, they succeeded in preventing me from going to trial. Under these circumstances, the whole matter is rather grotesque and not to be taken seriously by People pretend to request the waiver of immunity, but desperately wanting not to have me brought to trial because magistrates in such a trial would be in the greatest difficulty.

Once again, contrary to the position taken by the Legal Affairs Committee, which is requesting you not to waive my parliamentary immunity, I am asking you, for the umpteenth time, to force the Italian legal authorities to bring me to trial; if this is not done, it will be clear for the umpteenth time that they are afraid to see justice done.

I was convicted and I claim my right to be judged. I am well aware that the question of whether or not my parliamentary immunity should be waived concerns our institution and not me personally. But I hope that this parliament for once will consider it more important for me as a person to be tried when the claim is that it is intended to charge me, than to uphold Parliament's right to self-defence.

President. — The debate is closed.

(Parliament adopted the resolution)

4. Committee of Inquiry into Fascism and Racism

President. — The next item is the report (Doc. A 2 160/85) by Mr Evrigenis, on behalf of the Committee of Inquiry into the Rise of Fascism and Racism.

Mr Ford, chairman of the Committee of Inquiry into the Rise of Fascism and Racism in Europe. — I would like to raise two points with you.

Firstly in connection with Rule 61(1), which says that all documents of the Parliament shall be drawn up in the official languages. You will be aware that some of the contents of the reports, namely some of the annexes, are in fact not available in any of the languages at the moment. It may be that some of those annexes are considered not to be terribly important in terms of the political content of the report, for example the list of experts and organizations who forwarded written submissions. But I would make the point to you that one of the annexes consists of the submissions by the experts from all over Europe giving their submissions and their views on the subject matter of the committee of inquiry and it would seem to me very difficult for us to proceed without having all the documentation available.

Secondly, it says in Rule 62 that documents forming the basis for Parliament's debates and decisions shall be printed and distributed to Members. We do not appear to have the documents in front of us. As Mr d'Ormesson so very fairly pointed out, there are errors in the document in front of you which reveal that the document — at least in English and I presume also in French because I assume Mr d'Ormesson was using his French version — in fact is not the final version of the committee of inquiry's report. For example, on page 39 in the English text, paragraph 114, it falsely indicates that Mr Almirante was a minister of justice in the Salo Republic. The committee of inquiry discussed this and voted on it and voted that that should be changed. Also on page 26 in the English text, paragraph 64, there were some changes that were equally made in the circulation of some of the right-wing magazines in Germany.

I have not had the opportunity to check all of the changes that were made at the last committee of inquiry but it is clear to me and to Mr d'Ormesson that in fact this is not the final version. On the basis that we do not have all of the texts in all of the languages and that the report in front of us is in error I would ask you to rule that this debate be postponed until those texts are in fact available in all languages and correctly. I ask you to make that ruling now please.

(Applause)

President. — Mr Ford, the President stated about an hour ago that the documents were available in all the official languages . . .

(Mixed reactions)

Ladies and gentlemen, the President stated that the report was available in all the official languages. I have just been informed that there are a number of mistakes in it. We shall decide on this issue now, but first I must call those Members who have asked to speak on points of order.

Mr Plaskovitis (S). — *(GR)* I would like to comment on the procedure not only as a Member of Parliament, but also as a former member of the Supreme Court in Greece. I am aware that the Rules of Procedure contain two prohibitory directives. The first is that of Rule 61, which specifies that all documents of the European Parliament shall be drawn up in the official languages. This does not refer to reports alone, but to all documents. The President, who has called for a vote, told us that the report itself has been translated into all the languages, but not the annexes. However, Mr President, the annexes are documents relating to the report, to the debate, and Rule 61 makes no distinction. This therefore represents a contravention of Rule 61, and is consequently unacceptable under Rule 84. I also think that Parliament and its President do not have the authority to proceed with a debate on a report before the relevant documentation is available, since this would entail amending the Rules of Procedure. Since the Rules are there to safeguard a situation in general, and in this particular case the rights of a minority, Parliament's President does not have the authority to apply the Rule selectively and permit Parliament to proceed with a debate and a vote. I think the debate must be postponed, Mr President, since to proceed with it is unacceptable.

Mr d'Ormesson (DR). — *(FR)* Mr President, I am yet again shocked by the nub of this debate.

We held lengthy discussions at the beginning of the sitting on the procedure to be followed. A vote was held and Mr Pierre Pflimlin, the President of the European Parliament, reminded us that we all had had time to weigh the pros and cons.

It is unacceptable that an attempt should be made to call into question Parliament's decision.

For fourteen months, Mr Chairman of the Committee of Inquiry into the Rise of Fascism and Racism in Europe, you have been attacking us, attacking me. This evening, we heard Mr Evrigenis's report and could reply to this fabric of accusations, which I claim are false, to say the least, against members of this group.

By a procedural debate you wish to defer this report to the month of January, or February, and you all know well that the Frenchmen in this group will be before the only court that counts, alongside that of God, that is before the court of the people of their country who cannot participate in your work. This is why, Mr President, either we discuss the matter this evening or as a Frenchman and candidate in my own country, I ask you to refer this matter back to the committee, to be raised again after the elections in my home country.

(Applause from the benches of the European Right)

Mr Ford, chairman of the Committee of Inquiry into the Rise of Fascism and Racism in Europe. — Mr President, I accept that Mr Pflimlin said earlier on that the report was available in all of the languages. He did not say that the annexes were available. That is clearly something new that has been raised for you to make a decision on. However, I must say, as chairman of the Committee of Inquiry, that Mr Pflimlin is not a member of that committee and is therefore unable to make any ruling as to whether the contents of the report are in fact the accurate contents as determined by the committee.

I would hope that the House will take word for it — but if not, they should ask Mr Evrigenis — that the report that you have in front of you is not the final version of the Committee of Inquiry's work. As chairman I am telling you that that is the case, and I would hope, in order to prevent the House from being in error, that there will be an opportunity for Members to study the correct and final version of the report. I am afraid that no one apart from myself or another member of the committee is in a position to give you that information.

President. — Ladies and gentlemen, the President declared a while ago, and I have checked this myself, that the report is available in all the official languages. Consequently, he took the view that we could take the report.

Mr Cryer (S). — Mr President, on a point of order I should like to raise the question of the debate. You say you have accepted President Pflimlin's ruling that the report should be debated because it is available in all the languages. In that case, provision must be made for debating the appendices. On President Pflimlin's own admission, they are not available in all languages and, therefore, under Rule 61 they cannot be debated. It would be patently absurd and timewasting to have a debate about the report and then at some future date have a debate about the appendices. Clearly, as the committee chairman has said, the appendices are an integral part of the report and that is the sort of commonsense view most people would accept. Therefore, if you are going to consider carefully the views of the committee chairman which were not made known to

Cryer

the President when he gave the ruling, the report as a whole, including the appendices, must be debated. If you insist, Mr President, on upholding President Pflimlin's previous decision, then you must also rule that, as the appendices are available and include, for instance, the expert evidence, as a great deal of time and trouble went into compiling this report from outside resources, as it would be a snub to those who compiled the evidence if the Assembly ignored it, extra time must be made available at some future date. I would suggest in all earnestness that the most sensible course of action is to defer this debate under Rule 61 because an important section of the report, namely the appendices, simply is not available. In several committees in the past this Rule has been overlooked and ignored. I hope that the whole plenary session is not going to overlook Rule 61 as it is of vital importance to the smooth running of this Assembly.

Mr Croux (PPE). — (NL) Mr President, we have already voted on the comments that have been made. But there is one question I should like to put to the rapporteur. If it is true that the report contains a number of inaccuracies, chiefly of a material nature, can they not be put right in the rapporteur's text?

I personally have some difficulty with paragraph 199 of the report. I know the rapporteur means well, but the addition of a few words would preclude any misunderstanding. Such examples show that the rapporteur might clarify some of the inaccuracies or vague statements in committee. That is the question I wanted to put to him.

Mr Estgen (PPE). — (DE) Mr President, I did not fully understand what you were saying earlier on about our reaching a decision. I believe the decision has already been taken. I do not hear any arguments now that were not heard already when President Pflimlin was in the chair. It was clearly stated that the report was available in all the languages, and this led us to decide to hold this debate today. Therefore, another chairman cannot proceed to a vote on the same matter an hour later. In any case, this would be a violation of the Rules of Procedure.

(Applause from the centre)

Mr Lomas (S). — Mr President, that last comment would be a reasonable one in normal circumstances. I know that, as always, you are trying to be as fair as you can in a difficult situation. The problem is that the President's having ruled earlier that this was a matter for discussion puts you in a very difficult situation. Unfortunately, it has now become a political dispute between those who would like to debate it more fully next month and those who would like to shovel it under the carpet tonight and get it out of the way. We are not naive. We all understand that.

But, having understood it, we cannot — just because, on inaccurate information, the President ruled earlier that it was in order — now continue on the basis of that false assumption. No one denied what Mr Ford said and the important thing is not only the translation, which is important, but the inaccuracy. Nobody in this House has said that Mr Ford is not right when he said that the report is simply not accurate and that it is not the final version. Under those circumstances, Mr President, whatever Mr Pflimlin may have said — with the greatest respect to him, he could have stood up and said that today is Thursday but that does not make it Thursday — the fact is that he said that we have an accurate version in all languages but we now know this was not the case. We do not blame Mr Pflimlin for that, but what he says is not the case. Therefore, we simply cannot debate something which is not accurate. I do not think you have any choice but to rule in that way.

(Applause from the benches of the Socialist Group)

President. — Ladies and gentlemen, I would be very grateful indeed if someone could inform me in which languages the text is not available. I should also like to ask the rapporteur whether there are irregularities.

Under Rule 61(1) of the Rules of Procedure all parliamentary documents should be drawn up in the official languages. That is the point from which we start. Perhaps Mr Amadei, in his capacity as chairman of the Committee on the Rules of Procedure and Petitions, could say something about this? The question which has arisen is whether the annexes are part of a report in the strict sense of the word.

The President stated a moment ago that the report was available. As the committee chairman has pointed out, one or two annexes are missing. That is the basic point. As far as I know, the Rules of Procedure contain nothing precise on this matter. Perhaps someone can instruct me. I am quite open to advice.

Mr Amadei (S), chairman of the Committee on the Rules of Procedure and Petitions. — (IT) Mr President, I can only give an opinion that is entirely personal and expresses only my own point of view; as you know, I cannot act as spokesman for the Committee before the question has been put to them. What I can say is that, when it is said that documents must be translated into the official languages, that means all documents. Indeed, the proposal to amend Rule 57 of the Rules of Procedure is on today's agenda for the very reason that, in accordance with the present wording of Rule 57 — which deals with requests for urgent debate — both the text of the request and the text of the proposal which is the subject of the debate have to be translated. If, therefore, we wish to amend this Rule — and the Committee is unanimous on this point — it is precisely in order to bring about the hoped-for improvement.

Amadei

But, under the terms of the Rule as it still stands at present, it is obvious that all documents have to be translated into the official languages, including those that we are discussing.

That is all that I can say, even though I am not speaking in my capacity as chairman of the Committee on the Rules of Procedure and Petitions, since the question has not yet been debated in committee.

President. — Ladies and gentlemen, Parliament has decided to put this report on the agenda. That decision is still valid. However, I do not feel competent at the moment to rule whether, as provided in Rule 61(1) of the Rules of Procedure, all parts of this report are available in all the official languages. The committee chairman has stated that this is not the case.

Under these circumstances I propose that the Bureau should, at its meeting tomorrow morning at 9 a.m. consider the question whether this provision also applies to annexes to reports. After the Bureau has reached a decision which will be communicated to you without delay, a new item will be added to the agenda to enable the debate to take place. I shall call one speaker for and one speaker against this proposal.

(Applause from the left)

Mr Schwalba-Hoth (ARC). — *(DE)* Mr President, your proposal was the best solution to the current situation. I hope that your proposal can achieve what has hitherto distinguished the work of the Committee of Inquiry, namely unanimity and agreement.

Despite provocative questions, there was reasonably constructive cooperation between the so-called Left and Right. There was no polarization when it came to voting on the entire report, but a large majority in favour. Both political camps thanked the rapporteur, Mr Evrigenis, and congratulated him on this autonomous report. However, there is now a divided, split camp and conflict over formalities, something we had managed to avoid the whole time in committee. If we act on your proposal, Mr President, we can end this wretched debate on the Rules of Procedure which would now ensue, because finally a request has been made to curtail that debate and to defer it.

Mr Price (ED). — Mr President, the first objection that has been raised is that the annexes are not available in all the languages. There are three annexes to this report. The first is included and bound with the main part of the report. That is dated 15 November and was available last week during all the group meetings. Annexes II and III are bound separately. I have just been to the distribution counter and I now hold up the seven language versions of these remaining annexes. I hold them in such a fashion that everyone

can see the seven colours indicating that they are available at the document distribution desk.

The other objection was that the report contained errors. It was distributed on 25 November, yet only two relatively minor errors have been pointed to in a report of 138 pages. If this Parliament is to defer consideration of a report because two minor errors can be found in 138 pages, the precedent is one of very considerable implication. I suspect we will find few reports of this Parliament that will not have, in one or other language version, an error or two. I think, therefore, that neither of the objections made to this debate proceeding today are correct. May I also point out that the basis upon which you made your proposal was one which I have now shown not to be correct. You, in all good faith, indicated that you believed these documents were not available. I have now shown that they are.

(Parliament adopted the President's proposal)

5. Cocoa and chocolate

President. — The next item is the report (Doc. A 2-101/85) by Mr Nordmann, on behalf of the Committee on the Environment, Public Health and Consumer protection on

the proposal from the Commission to the Council (Doc. 1-1363/83 - COM (83) 787 final) for a directive on the approximation of the laws of the Member States relating to cocoa and chocolate products intended for human consumption.

Mr Nordmann (L), rapporteur. — *(FR)* The subject of my speech gave rise to several heated statements in committee which are obviously outside the scope of the subject which has just been reported.

In any case, the subject of my speech has the added advantage of being quite topical because the examination of a draft directive drawn up by the Commission relating to chocolate products is all the more relevant given the closeness of the Christmas celebration.

I myself as a Member of Parliament usually greet the Commission's proposals favourably. However, I must admit that I was no longer so favourably disposed towards the proposal of the Commission after I had examined all the evidence. Unfortunately, the Commission did not try to find a compromise between the different, divergent and perhaps contradictory interests, but was happy to transcribe the position of one of the parties present, and this dimension unfortunately affects the examination of the problem.

What is the problem? Twelve years after an initial directive on chocolate products a set of measures will

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have to be established and a statement made on a basic question, that is, whether or not to maintain the difference between, on the one hand, what I would call continental chocolate containing a guaranteed proportion of cocoa butter and, on the other hand, the British, Irish and Danish traditions allowing a proportion of 5% of the total weight, that is, a possible proportion of 30%, to contain vegetable fats instead of cocoa butter.

The question was discussed ten years ago, and in this fresh proposal the Commission is advocating that this 5% proportion of vegetable fats should become general practice to allow for the free movement of goods. Several objections have been raised to this proposal, particularly relating to the Community's place in the international cocoa trade and our links with the ACP countries. The Committee on Development has expressed a very negative opinion on these points.

However, there is the danger with this proposal that different products would all be grouped under the same name. The proposals of the Committee on the Environment are attempting therefore to reconcile the free movement of cocoa products of the various member countries with more comprehensive consumer information which would prevent any risk of confusion by the addition of a specific denomination as soon as these products are allowed free movement within the Community. This should stop Member States whose custom it is to allow the substitution of vegetable fats from having to change their production and marketing practices. In other words, we should like to see amendments made to the Commission proposal which would reconcile free movement of goods and consumer information. May I add that I have personal experience of the difference between chocolate with and without substituted vegetable fats. I participated in a test organized by the pressure group in favour of the general use of these vegetable fats and was asked to taste two types of unlabelled chocolate. The organizers were very disappointed at my ability to distinguish immediately one type of chocolate from the other.

I would not, on the basis of purely personal experience, wish to set myself up as an authority, but I do think that this difference should be stressed so that marketing in the continental States will not be thrown into confusion and also that a specific denomination should help prevent such confusion. The latter should be something more than a simple reference in small letters with the strange names of ingredients which are often not very intelligible to the average consumer.

Once again, I should like to draw the attention of the House to the amendment I tabled to my own proposal so that all ambiguity might be cleared up and Community marketing would be distinguishable from the original production. I am not suggesting that we should wage war on British habits — I do not intend to be the Joan of Arc of chocolate. I should merely like to see the consumer informed as well as possible.

Otherwise there can be no genuine free movement of goods.

On the second major point of the directive, I am proposing a wait-and-see policy. It concerns the problem of additives, which the Commission, whether it intended to or not, maintained in a state of utter confusion. There is a detailed explanation in my report of the different references to all kinds of texts which set out the Commission's position. I should like the problem of additives to be examined in order to clarify the question by the Committee on the Environment, Public Health and Consumer Protection, which received an incomplete answer.

I should like to add that this area has been subjected to what I might call a kind of scientific terrorism and intimidation by authoritative arguments. The basis of the Commission proposal is the establishment of methods of analysing and identifying vegetable fat substitutes and measuring the quantity. However, investigations have revealed that these methods have not yet been perfected and in any case, even if some enable the detection of vegetable fats, they do not allow identification of these fats nor reveal the extent of the substitution.

Forgive me if I have been too technical, but it is precisely these points which led the parliamentary committee to react with prudence to the Commission's proposals.

The distinction made in some amendments to the proposal for a resolution between vegetable fat substitutes which are equivalents of cocoa butter or a substitute for cocoa butter does not solve the problem of the absence of reliable methods of analysing their actual quantity.

Mr President, I have attempted to explain as clearly and objectively as possible the main facts of this very complex problem on which I think we must reach a compromise if we really wish to see such a proposal reaching the Council.

I find it regrettable that the Commission did not begin by adopting this attitude of compromise which Parliament will, I hope, bring to the fore. I should like to emphasize yet again that my proposal is aimed at finding a compromise between two requirements which we do not find contradictory but which should be complementary. We must respect all tastes. I am in favour of the consumer's having freedom of choice and I hope that he can be enlightened.

In a famous text Descartes made the distinction between two types of freedom: freedom stemming from indifference and inability to distinguish, and that superior form of freedom which is freedom stemming from the enlightenment of knowledge. Well, the proposal which I am defending on behalf of the Com-

Nordmann

mittee on the Environment aims only to increase that knowledge and thereby increase freedom.

(Applause)

Mr Collins (S). — Mr President, I must say that Mr Nordmann is extraordinary in his interpretation of a compromise. The Commission proposal is very largely based on the notions of the trade association, the industrial association, and Mr Nordmann's idea of a compromise is to select the only company in Europe that is not a member of that and represent its views and say that that is a compromise. Now I do not believe that at all.

I think there are one or two principles that we have to establish here. First of all, I think that it is right that consumers should know what it is they are buying. They should know exactly what the contents are and therefore we in the Socialist Group are in favour of a solution which makes it clear that the label is as clearly marked as possible so that consumers are in no doubt. Secondly, I think that it is important that consumers should be confident that there is nothing harmful in what they are buying. Mr Schmid for the Socialist Group will enlarge on this point later in the debate, but by and large we have decided that we are setting our faces against chemical additives and we would prefer to have nothing at all to do with them in order to give the consumer that confidence.

Thirdly, we believe that the consumer has a right of choice. We do not believe that it is the job of the European Parliament or the Commission to tell the consumer what his taste ought to be. If the consumer wants chocolate with vegetable fat in it, then why not? If the consumer in Italy wants chocolate with vegetable fat in it and not just the consumer in Denmark, then again why not? Why erect false and stupid barriers to trade when we can avoid them? That is exactly what Mr Nordmann is trying to do. Fourthly, we think that we have to be fair to the Third World and not simply to those parts of the Third World that happen to have historical ties. If there are parts of the Third World that make and supply the vegetable fat that goes into the chocolate in Denmark and the United Kingdom and Ireland, surely we are wrong to ban it, surely we are being unfair and partial. Our view is that we ought to live up to our responsibilities there and accept the vegetable fat.

The fact of the matter is that the rapporteur has a responsibility to present a report that considers all of these angles and instead, frankly Mr President, I believe that we have here in front of us a stupid, misconceived, crackpot scheme that ignores the reality of consumer choice, restricts that choice in favour of the interests and practice of one section of the market. We might as well, Mr President, have a directive that says all wine must be made from only one kind of grape and I doubt very much if Mr Nordmann would support that!

In other words, we will support the Commission so far as the fat is concerned, but we won't support them as far as the chemical agents are concerned. We find Mr Nordmann's report, in short, a very bitter pill indeed.

Mrs Rabbethge (PPE), advisory rapporteur on behalf of the Committee on Development and Cooperation. — (DE) Mr President, as has already been rumoured in the meantime in the European media, after a chicken war and a noodle war there is now a chocolate war, and there is somebody yet again on the purity bandwagon — after the battle for the purity of beer, now we have the battle for the purity of chocolate. The answer is very simple: *Pacta sunt servanda* — contracts must be respected. In this case, we are talking about the agreements and promises which the European Parliament, or we as your and our representatives in the ACP-conference in Bujumbura, decided upon and/or made.

This promise included keeping our EEC markets open for the import of cocoa. Possible reduced imports provided for in the Commission directive nevertheless reached approximately 40 000 to 50 000 tons of raw cocoa. This is a reduction in exports which would threaten the livelihood of many of our partners in the Lomé convention.

All the promises the European Community has made to help developing countries reduce their debt agreed to keep the European market as wide open as possible — above all for partners which depend to a great extent on the export of their single output. The sale of raw cocoa belongs to that agreement.

We share the opinion of the Committee on the Environment, Public Health and Consumer Protection, Mr Nordmann, that no precise method of analysis has hitherto been available to determine the extent of the vegetable fat content in chocolate.

We should like to continue eating real chocolate, that is, made from cocoa beans from a cocoa bean tree, the brown gold with which the Toltekes in Central America honoured the snake god Quetzalcoatl.

Our ACP partners emphasized in Inverness that the alternative, to agree to the substitution with vegetable fats from other ACP countries, in no way corresponded to the interests and therefore the earnings from cocoa exports. After today's recognition of this by the Committee on Cooperation and Development it would be better, in any case, to maintain the status quo agreed upon with the ACP States, until a new international cocoa agreement has been signed.

After a final exchange of information with authorized ACP representatives we should be doing justice to the interested parties if you, ladies and gentlemen, would adopt Amendment No 15 which I tabled on behalf of

Rabbethge

the Committee on Cooperation and Development. Only then could our ACP partners be fully in agreement with the Nordmann report. I would ask you therefore to support Amendment No 15 of the Committee on Cooperation and Development.

Mrs Caroline Jackson (ED). — Mr President, I think that the rapporteur does not fully understand the unfortunate impact that his report has had at least in my country, where little children in the streets cling to their milk chocolate bars and tremble at the very name of Nordmann lest the names themselves be changed. Another point, of course, is that the British popular press has taken this up and construed it as meaning that the European Community and the European Parliament are trying to change something which is very dear to the British as part of their lives, which is the possibility of eating so-called milk chocolate.

The main point of the directive is that it allows up to 5% vegetable fat to be added to chocolate sold throughout the European Community, and not just in the United Kingdom, Denmark and Ireland. I think it has been insufficiently understood that this follows on from what was virtually an undertaking given to Britain, Denmark and Ireland in 1973 that the whole question of chocolate would be reconsidered and that the possibility of chocolate with vegetable fat being marketed in other countries in the European Community would be regulated, as the Commission is now trying to do.

So, what this directive is actually doing is establishing what we might call a common market in chocolate. Surely, since this Parliament is in favour of taking down barriers to trade, we can see this directive as part of that movement. We really should not agree with Mr Nordmann on spurious consumer grounds that we should continue to allow one sort of barrier to remain.

To do the rapporteur justice, with some reluctance, he does not actually interfere with the main thrust of the directive, which is to allow this free trade in chocolate. He has some disobliging things to say about it in his report, and the amendments which I and my colleagues are moving from the European Democratic Group and Mrs Banotti from the Christian Democratic Group are designed to remove these remarks.

The second point arises from something which the rapporteur has referred to and concerns a point in Annex 3, where essentially what he is trying to do is to say that chocolate with vegetable fat, if allowed to circulate through the rest of the European Community, would be insufficiently labelled from the consumer's point of view if the 5% vegetable fat was simply put into the list of ingredients. What Mr Nordmann wants to do is actually to change the designation of that chocolate. I still think that he did not understand what he was doing when he moved these amendments in the committee. At that time I think he thought that

this amendment would only apply to chocolate marketed in the seven Member States where chocolate with vegetable fat at the moment cannot be marketed. I cannot believe that he actually thought at that time that the designation of milk chocolate would have to be changed in Britain, Denmark and Ireland. This has given rise to a lot of trouble, because it would mean that you would have to label milk chocolate 'vegetable fat milk chocolate'. Presumably, you would have to lay down that those words 'vegetable fat' should be as big on the label as the words 'milk chocolate'.

That is what has given rise to a lot of criticism, I am afraid, of this Parliament in the United Kingdom, and that is why I call on all sensible chocolate-eating Members of this House to reject Mr Nordmann's amendment to Annex 3, Section A, paragraph 1, subparagraph 1.1.4, which is the crucial part of the directive.

I think that Mr Nordmann, in fact, destroyed his own argument by saying that when he was given the chance — and I must say he took quite a risk — to try both British chocolate and continental chocolate he could tell the difference. Well, he is not an exceptional consumer. Presumably all the other consumers in the European Community could similarly tell the difference, and that is why we want them to be able to have the chance to do so. We believe that the contents would be quite adequately labelled 'vegetable fat', as they are at the moment in Britain and in Denmark.

There is nothing, incidentally, in this directive, as the Commission have put it forward, which would mean that the traditional continental way of making chocolate would be in any way threatened or need to be changed. I simply cannot see that that is a point that holds any water at all.

On the other points in the report — the use of additives — this Parliament has a choice. It can either actually use the scientific evidence which is offered it or it can ignore it on the principle that we are against additives absolutely. That is precisely the point which Mr Nordmann is making and, frankly, I think it is something that we really should question.

My final point is that the entire chocolate industry in the Community was in favour of this directive. We have heard no views at all from any consumer organizations who are against this directive, and I simply cannot see why Mr Nordmann wants to stop it going through as soon as possible without any amendment to the Commission's text.

(Applause from the benches of the European Democratic Group)

Mr Wurtz (COM). — (FR) Mr President, the amendment to the directive proposed by the Commission, which envisages the inclusion of vegetable fats in

Wurtz

chocolate as a substitute for cocoa, has three distinct characteristics.

First of all, it would allow large multinational firms to make enormous profits. Some such as Unilever by purchasing low-cost vegetable fat and others such as the major chocolate manufacturers on account of falling cocoa prices resulting from a competitive product on the market.

The influence of these pressure groups on the Community can be ascertained if, for example, we realize that Brussels has always refused to tax vegetable fats imported into Europe — the Communist Group has been demanding this for five years now — and it is precisely a group such as Unilever which makes the most profit out of this as it controls 80% of the oilseed market.

Second, the amendment to the directive proposed by the Commission includes another obvious characteristic which will not displease the advocates of ultra-liberalism either. It will probably oppose the interests of African countries which at first seem different according to whether they are producers of cocoa or vegetable fat.

Finally, the amendment to the Commission directive would lead to the international agreement on cocoa being called into question, which was signed five years ago by the Community and its partners, particularly the ACP countries.

These are the only clear points made in the Commission text. After that there is a worrying nebulosity which leads me to ask the Commission three questions.

First, what guarantees do you give us that the vegetable fat that is to be included in all the Community chocolate will, in fact, be bought from ACP countries such as Burkina-Faso or Mali? Why do you not specify the types of vegetable fat which will be used and, more importantly, why do you keep secret the countries from which vegetable fats such as shea butter will be imported? What have you to hide on this subject?

Second, what guarantees can you give us that the proportion of vegetable fat in chocolate will not exceed 5%, as you have promised? May I remind you that this rate has already been exceeded in some countries and that there is still no reliable technique apparent to determine the rate or the substance included in the chocolate.

Finally, what practical measures are envisaged to compensate cocoa-producing countries for the huge losses incurred on export revenue resulting from the decision you are advocating?

Mr President, Commissioner, you will agree that these many points would need to be clarified if we are to act

in full awareness of the situation. For our part, we are determined to seek a solution which will preserve the legitimate interests of all the ACP countries concerned by this problem. This is the nature of the amendments which we submit to our Assembly this is also how we shall vote on Thursday.

Mr Verbeek (ARC). — (NL) The use of substitute vegetable fats in chocolate is very much in the interests of European industry. These fats are after all cheaper than cocoa butter, and bigger profits can therefore be made on sweets. More rape-seed is grown in the European Community than is consumed, and so the trade makes a profit on that product as well. And who suffers as a result? Mostly the small African cocoa grower. A great deal of cocoa comes from the poorest countries, and the producers already come off worst in the price war with the big European trading companies. Cocoa prices are constantly falling. And now cocoa is going to have to compete with substitute vegetable fat. I ask myself how the Commission dares propose such a thing in its directive. I know, of course, that Third World countries also export substitute oils, especially those derived from groundnuts, coconuts, palm nuts and so on. I also know that such export monocultures may take up land needed to produce food crops in those countries. And yet the Community claims to be standing up for the cocoa-producing countries, especially the ACP countries among them. That was what was said on several occasions in the ACP-EEC Assembly. And chocolate is supposed to be chocolate, according to the 1980 cocoa agreement. The Community should not be two-faced. The promise made to the ACP cocoa growers should take precedence over the demands of the European chocolate lobby. Parliament should be unequivocal on this point.

Mr Schmid (S). — (DE) Mr President, if the common market is to be achieved, regulations will have to be harmonized or else there will be barriers to trade. There is no doubt about this. In the harmonization of regulations on the composition of products there are sensitive and not so sensitive areas for the people of Europe. Foodstuffs is a very sensitive area, because people are very decisive about whether they will buy something to put in the living-room or something to eat and drink.

Harmonization should not entail a deterioration in health care nor a deterioration of the purity of foodstuffs and a drop in standards. The present decision-making process in the European Community, in which somebody in the Council of Ministers can block everything and sit a problem out unfortunately always leads to a drop in standards where there is any harmonization.

I do not approve of national traditions or tastes, as we now find them in the United Kingdom, being mowed flat with a lawnmower.

Schmid

Now to the proposed directive. I do not wish to refer to the question of vegetable fats; I am speaking now of the health aspect, and vegetable fats are not unhealthy. However, I should like to refer to additives and I must contradict Mrs Jackson on this. It is not a question of opponents of new additives not having learned science. A committee of a few professors who agree on a particular question is not yet science. If you had dealt with it as closely as I have, you would realize that some of these additives are the subject of much dispute in the scientific world.

There are reasons why they have only been permitted in Ireland, Great Britain and Denmark up till now, and not in other Member States. Those who took the decision at the time had reasons for doing so. Careful consideration was given before banning these products. I am strictly against allowing new additives as long as there is no technical ground for it.

I should like to illustrate my point by an example: one of these additives which has a tasty name, polyglycerol polyricinoleate, — one must practise pronouncing it for three minutes unless one is a chemist — is now to be added to the pouring of chocolate figures, for example, in the manufacture of chocolate Santas. Mr President, I have brought you one, which I shall give to you afterwards. It is also to be used in the manufacture of Easter bunnies.

Generations of Santas have been produced without this additive. You know that, I know that, the Members know that too; we all had them under the Christmas tree. Now this polyglycerol polyricinoleate is to be added to allow thinner figures to be poured. That means getting less chocolate for the same amount of money. That is the only aspect of the matter and I cannot see the good of it — perhaps for the profits of the chocolate manufacturing industry, but not for the consumer. There was much talk about maintaining the purity rule in the European Community. If the Commission continues to act along these lines we shall have to provide a purity rule for chocolate Santas. Let everybody know that EEC logic is in force; Easter bunnies and chocolate Santas are grouped together in the same directive.

I have given much thought to the rise of such a situation and the reasons for the Commission's submitting such a proposal, and I think I have found the answer. It has to do with the fact that for such delicate questions as those concerning health, the competition DG is responsible, that is, those who wish to harmonize the market. They work on the idea of the common market but not consumer protection. Commissioner, the situation in which these people are drafting proposals will have to stop. It would be logical, when new additives are to be approved, to confer the task of planning to those dealing with consumer protection and health. Then the competition people could do their part of the job. If the Commission continues to proceed as it has done in the past, it will mean the

complete undermining of health and consumer protection.

Mrs Lentz-Cornette (PPE). — (DE) Mr President, I am speaking on behalf of the majority of my group. Certainly, individual representatives, some Irishmen and some Dutch and Belgian women will not agree with this report. Most points on the subject have been made already, leaving very little to say now. I can only agree with Mr Schmid's statements. I have also wondered how the Commission could have drafted such a document and I suspect that Coabisco representatives also had a hand in it, for it echoes their position fully. It is highly likely that the competition department drew up this report, not in any case the consumer protection group.

The contents have already been explained. In 1973, three countries, Ireland, Great Britain and Denmark were allowed to retain their chocolate manufacturing process for a few years, in the hopes that they would conform to European or continental methods of chocolate manufacture. What has happened, however? Now they want the others to conform. It reminds me of a class in which three mediocre pupils are placed with seven others in the hopes that they might integrate. Now the three wish to integrate the other seven.

Nobody has anything against the three countries' continuing to manufacture and eat their chocolate as they are accustomed to doing so. They can even offer them in the Community. If English people live here, they can buy their usual chocolate. They can even have a special additive. We can then call it insular — or peninsular for the Danes — chocolate. Nobody wishes to deprive them of it.

However, I do not agree to all countries producing similar chocolate and, as Mr Schmid said, also using other fats, oils and chemical additives. Their chocolate has not hitherto contained these things. It would be all the more obvious as there are still no standard methods of analysing the quality and the quantity of the fats being used. Nor is there any information about the quantity of the three new emulsifiers and the two new cover materials for these products.

We are of the opinion that this directive does not guarantee consumer protection and information. Harmonization in this case leads to deterioration, which is not what it is designed to do. We also hope that the other seven — soon to be nine countries with Spain and Portugal — do not accept the English, Irish and Danish products, but that these three accept that of the other seven, or nine. We shall adopt the Nordmann report, as it has been amended by our committee.

President. — I would point out that Mr Schmid is a politician who keeps his word. He did indeed give me

President

a chocolate Father Christmas. I thank him most sincerely for the gift and since I have learned today that there are wise and foolish chocolate eaters, I hope that I can join the ranks of the wise chocolate Father Christmas eaters.

Mr McMillan-Scott (ED). — Mr President, I am speaking here tonight on behalf of the city of York and the 7 000 people who work in the chocolate and confectionery industry there. The proposal we are debating would continue to prevent good British, Danish and Irish chocolate being sold in other Community countries.

Mrs Lentz-Cornette is incorrect in this. We are currently prevented from selling our chocolate in other Community countries, and the Nordmann report will continue that barrier to trade. This is completely against the spirit in which my party operates in this Parliament. It is also, frankly, against the spirit of Parliament itself. As Mr Nordmann knows, there is nothing wrong with our chocolate. Yes, it contains some vegetable fat, but so does the chocolate made in countries like France, Germany and Belgium. Continental chocolate is not better. It is simply different. In my hands I have some cocoa beans which were roasted in York recently. They are the same cocoa beans used in continental chocolate. These beans contain vegetable fat. However, can we be assured that from now on French, Belgian or German chocolate will carry a description saying: 'This contains vegetable fat'? I think not.

I am glad to tell Parliament that Mr Nordmann does not have the support of the European chocolate industry, nor does he deserve it. Chocolate manufacturers throughout the Community have accepted the Commission's proposal for a free market in chocolate, and we in York welcome that practical approach. It is in our interest to develop a strong European chocolate industry. This will benefit not only the people who work in manufacturing and those who distribute and sell the products but also those countries which supply the raw materials. The vegetable fat which British chocolate-makers have used for 50 years comes from the poorest countries on earth. It comes from the shea nut which grows wild in countries like Mali and Burkina-Faso.

Now, Mr President, we all accept that food products should be properly labelled and that the label should identify the type of product, its ingredients, its manufacturing process and its country of origin. However, there are many double standards in food products. To take one example, wine in the Community is not properly labelled, and yet much of it contains, for example, sulphur dioxide — a poison — as a preservative. Does Mr Nordmann have a view on this? Does he have a view on the opening up of the Common Market for food products? Is he really frightened of competition in the chocolate market?

Mr President, Mr Nordmann, I feel, is rightly embarrassed by his report. I am sure that the Commission will reject his proposal, and it will be a strange thing if this Parliament, which talks so much about creating a Common Market, should itself vote for a new barrier to trade.

Mrs Squarcialupi (COM). — *(IT)* Mr President, the fact that I have only one minute speaking time, and am one of the last to speak, puts me in what is at one and the same time both an easy and a difficult position. Difficult, because everything has been said, and easy because I can get away with taking only a few seconds.

I wonder which consumers the Commission had in mind when it put forward this proposal for a directive — whether it thought, perhaps, that by so doing it could be of service to the consumers, who see their income increasingly reduced by unemployment and inflation, and who are increasingly aware that they have to be 'careful' consumers. I think, however, that it has not taken anything at all of this into account because, if the proposal for a directive were adopted, it would be necessary to set up an entire monitoring programme to check whether this fat content is 5% or 10%, and to check that the regulations are complied with.

No, Mr Commissioner, in line with what our rapporteur said, we absolutely cannot accept this proposal for a directive. I will conclude, however, by offering my compliments to those who are defending this proposal, because they are really making superhuman efforts, attempting the impossible in order to demonstrate to us something that is quite indemonstrable.

Mrs Van Hemeldonck (S). — *(NL)* Mr President, to our great surprise — and by 'our' I mean the members of the Committee on the Environment, Public Health and Consumer Protection — we were engulfed by an avalanche of paper as soon as the question of chocolate was placed on the agenda. Papers arrived from all kinds of industrial groups and also from the ACP countries concerned.

I intend to concentrate on the question of consumer protection and the protection of the workers in this sector. And this really does give rise to the question: 'Whatever inspired the executive to put forward proposals of this kind?' It rather looks to us as if it gave way to pressure from the multinational giants in the vegetable fat sector. Mr Würtz has already referred to Unilever and the large conglomerates in the food industry, which are mainly active at multinational level, the Coabisco group being an example.

It is a well-known phenomenon. We came across it when we were discussing the composition of biscuits and industrially produced cakes. The idea is to manufacture products that will keep for a particularly long

Van Hemeldonck

time so that the producer can speculate on fluctuations in the world market prices of raw materials and so drive small and self-employed producers out of business.

In the final analysis a policy of this kind is, of course, completely to the consumer's disadvantage, because all kinds of dangerous or at least dubious things go into a product that has long since ceased to be worthy of the name chocolate, because it is adulterated with additives, because it is no longer fresh and because there is no right to information. But a policy of this kind is also completely to the disadvantage of the workers and of small bakers who use chocolate in their products, because they are the ones who will be driven out of the market, with all the disastrous consequences that will have.

Mr Raftery (PPE). — Mr President, I am sure the citizens of this Community — particularly the 14 million unemployed — are waiting tonight with bated breath for the wisdom of this Parliament to tell them when a chocolate is not a chocolate.

Clearly, what is going on here tonight is nonsense. The Commission's proposals — as we all know — are necessary to bring the current regulations covering chocolate up to date and remove many of the restraints and inhibitions to trade which currently affect the export of Irish, British and Danish chocolate to other Member States.

The present regime inhibits the sale of the excellent high-quality chocolate and chocolate products made in Ireland — and as I said, in Britain and Denmark — to other Member States. On the other hand, every manufacturer of milk chocolate in other Member States has free access to our market. So an unfair situation has developed which is against Ireland's interests and is certainly not in keeping with the aims of the common market.

The proposal in this Nordmann report that all products sold as chocolate must be standardized is just about as nonsensical as suggesting that motor vehicles must have a standard configuration and standardized mechanical specifications before they can be sold as motorcars. Clearly these proposals have more to do with the protection of certain markets than with consideration for the welfare of the consumers. At a time when this House has clearly endorsed again and again the completion of the internal market, approval of this report would be a retrograde step and certainly not in keeping with the expressed wishes of this House in relation to the dismantling of technical barriers to trade.

For generations, Irish consumers — and indeed British and Danish consumers — have enjoyed our own locally produced milk chocolate. Our products are of the highest quality and well-liked by our consumers.

Even with the present open-market competition, Continental chocolate has only managed to gain 2% of the Irish market, which, I think, tells you clearly that our consumers prefer our own chocolate. If Mr Nordmann's proposals are accepted, we would either have to change the recipe and therefore the taste of our chocolate or stop calling it milk chocolate, even in our own countries.

This sort of action is damaging to the Community's image and incomprehensible to the majority of consumers in the Community as a whole. The consumer public in all our countries expects and deserves from the Common Market a wider range of quality products and not restrictive standardization which ignores different national and cultural traditions. The production of milk chocolate in Ireland accounts for over 30 million gallons of Irish milk and 30 000 tonnes of Irish sugar annually. Any regulations which would impose a change of manufacturing or recipe content for the Irish chocolate product would cause a serious loss of income to many Irish farmers in the dairy and sugar-beet sectors of the industry.

Also, in view of public disquiet about the Community's food surpluses, any industry that helps to reduce these must be supported. Chocolate products from Ireland, the United Kingdom and Denmark are currently described in other EEC markets in a misleading manner such as imitation chocolate or household milk chocolate. Our chocolate, I can assure you, is a top quality product — genuine dairy milk chocolate — and should be described as such.

We do not want to impose our tradition on other manufacturers or other Member States, nor have we placed any restrictions on the sale of chocolate from other countries. The Commission document calls for comprehensive labelling of the contents of all chocolates. This is, of course, already the case in my country. What we ask is that consumers should be able to choose from a wide variety of quality products from all Member States within the Community. In short, we want an equitable and fair set of rules and regulations which will allow free access for all Community chocolate products to all EEC markets.

Mrs Jepsen (ED). — (DA) Mr President, as directly elected Members of Parliament, we have a special duty to take account of the interests of the citizens, in other words the consumers. The interests of the consumers must of course weigh particularly heavily when we are discussing matters affecting health, for example foods. In this specific area therefore we must also be concerned to ensure that the consumers are offered chocolate products of the best quality.

As long ago as the 1950s the industry already began to draw up common rules for the labelling and composition of chocolate products. This was done through Caobisco, the Association of the Chocolate, Biscuit

Jepsen

and Confectionery Industries of the then Community of Six. Subsequently, when the Community legislators came to frame regulations, this work was pursued within the organizational framework which the industry had and which also included Danish manufacturers, although Denmark did not join the Community until later.

The EEC Chocolate Directive which came into effect in July 1973 contains common rules on product standards for all types of chocolate, with requirements for minimum contents of the quality-determining ingredients: cocoa mass, cocoa butter and milk. It has since functioned entirely satisfactorily from the consumers' point of view.

If we look at the production side, no-one can deny that there has always been a marked technological difference between firms in the original six Member States and the countries which joined in 1973. In Denmark, for example, it has always been permissible to add vegetable fat to chocolate, in addition to cocoa butter — up to 5%. The advantages of this additive are that it improves the chocolate's resistance to discoloration, it evens out variations in the characteristics of the cocoa butter, which depend on its origin and the season, and finally it improves the chocolate's resistance to the effects of heat.

So much for the addition of vegetable fat. But, from the point of view of production, it is also necessary to continue to permit additions of polyglycerol polyricinoleate. This additive, ladies and gentlemen, which has been fully investigated and approved by the Scientific Committee for Food, is much better than the widely used lecithin. Its purpose is to give the chocolate quite specific flow properties. Its practical effect is to give the chocolate very low viscosity, which enables it to flow easily in the production process. This is of crucial importance in the production of thin layers, such as are required for chocolate coatings, and in the production of moulded chocolate shapes, to which our colleague has already referred in connection with chocolate Santa Clauses.

It is our task to ensure that products of the best possible quality are available to the consumers and, since

the chocolate industry everywhere in the Member States is agreed on the solution offered by the Commission in the Chocolate Directive, I find it quite natural to recommend the Commission's proposal. I therefore recommend the amendment tabled by Mrs Caroline Jackson, since it averts the worst consequence of the Nordmann Report.

Mr Vernimmen (S). — (NL) Mr President, I shall confine myself to making four brief points. I cannot entirely endorse the Nordmann report, because I feel it should pay more attention to the industrial aspects of this problem. The arrangement we are discussing and all the discussions in this connection would have been superfluous if the necessary harmonization measures had been taken in 1973. There is no need for a discussion on tastes and eating habits. Taste is largely determined by the industrial process used. Even in this area, then, the problem of substitutes or their addition is not a sales problem but a public health problem. More specifically where the addition of fats is concerned, we must be very careful if we want to prevent worldwide multinationals monopolizing the market. What is more, it is virtually impossible to ensure that these laws are enforced. Consequently, the doubts must be removed and in some cases the authorities must have the courage to ban these fats. Where tradition requires their use in certain countries, a clear indication should certainly be given on the packaging so that the consumer knows what he is buying. As regards substitutes — because that is not the same as the addition of fats — I believe that, while they should be restricted, their use should be permitted because they are also imported from developing countries. The chocolate industry is still very much in the process of expanding throughout the world. We must take advantage of this and bear all this information on composition and taste in mind.

President. — The debate on this item will be interrupted and continued tomorrow.¹

(The sitting was closed at 8 p.m.)

¹ *Agenda for next sitting: see Minutes.*

SITTING OF TUESDAY, 10 DECEMBER 1985

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IN THE CHAIR: MR GRIFFITHS

Vice-President

(The sitting opened at 10 a.m.)

1. *Approval of the Minutes*

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

Are there any comments?

Mr Ford (S), *chairman of the Committee of Inquiry into the Rise of Fascism and Racism in Europe.* — Mr President, with respect to the minutes of yesterday, it does record that Mr Price spoke yesterday on the

Evrigenis report. When he spoke, he suggested, by indicating that the annexes to the Evrigenis report were available, that I had misled the House, because I had said they were not available. In fact, the case is that now — and I accept that — Annexes II and III are available, though they were not available when I originally made the request; but the key annex as far as I was concerned, as I indicated yesterday, Annex IV, is still not available, though he suggested that there were only three annexes to the report.

That clarifies the matter for the House. The statement made yesterday by Mr Price was inaccurate in that there are four annexes and one is still not available, as far as I know, this morning.

President. — Thank you, Mr Ford, we have noted your remarks.

Mr d'Ormesson (DR). — *(FR)* Mr President, allow me to contradict what Mr Ford has said. Mr Price has

d'Ormesson

shown us the six annexes to the reports which have been distributed. Here they are. That answers the point.

So let us not challenge a Member who is not here at present but who was right.

President. — Mr d'Ormesson, Annex IV is not available. The report itself is available, but Annex IV is not. I am not taking any other points on this particular question.

Mr Antony (DR). — (FR) Mr President, for fourteen months now the committee appointed by this House has been chasing shadows which, where they exist, are merely shadows of the KGB . . .

President. — Mr Antony, would you please sit down? You have not got the microphone.

(Mr Antony persisted in speaking)

Mr Antony, the whole of your speech was not recorded. It will not go into the official Report of Proceedings. I ask you now to sit down so that we can continue with the proceedings.

Mr Pordea (DR). — (FR) Mr President, there has just been a demonstration in front of the Parliament building protesting against the visit to France by General Jaruzelski and against machinations of arbitrary communist power in eastern Europe. To that extent the objectives of the organizers are perfectly legitimate and we should fully endorse their stand and all those which condemn Soviet hegemony and communist use of force beyond the Iron Curtain. But unfortunately this legitimate action was used as a cover for an inadmissible breach of trust. An unofficial flag was waved around representing a region of one eastern bloc country, in an attempt to underline the fragmentation of the national-local political set-up. The region in question is Transylvania, the eastern part of Romania where a troublesome Hungarian minority, settled there two centuries or so after the Magyar invasion of Europe, has for five centuries been trying to oust the indigenous Romanians who far outnumber them. The campaign by this Hungarian minority, which is illegitimate from every point of view — legal, political and national — is anti-European, for Europe cannot be built without understanding among its peoples; it is anti-Christian, because it is based solely on racial hatred, and it is dishonest, because it is conducted on the sly. With the abuses of the system currently prevailing throughout eastern Europe, but also, however deplorable . . .

President. — Mr Pordea, that is not a point of order and I ask you to sit down.

Mr Pordea (DR). — I am awfully sorry, Mr President, it was a point of order from all points of view.

(Parliament approved the Minutes)¹

Mr Fitzgerald (RDE). — Mr President, assuming that you have finished with the minutes, I want to raise the matter, which I raised at the first October part-session in this House, of an incident that befell me at Glasgow Airport.

I was given to understand by the President that a complaint had been made to the British Government. I now want to know when that complaint was made and if there has been any response.

President. — Mr Fitzgerald, I will see that you get a reply from the President before the end of this week's part-session.

Mr Stauffenberg (PPE). — (DE) Mr President, yesterday evening your counterpart in the Chair secured the agreement of the plenary sitting to the effect that the Bureau would again take a decision on the further consideration of the Evrigenis report. Like many of us here I had expected to be informed at the beginning of this sitting as to the Bureau's decision on the further consideration of that report. May I ask you to enlighten those of us who are in the dark on this matter?

President. — Mr Stauffenberg, the enlarged Bureau will be considering this report at 11 a.m. today and the President will make a statement as soon as possible after the meeting has taken place.

2. Decision on urgency

Proposal from the Commission to the Council (Doc. C 2-122/85) - Com(85) 592 final) for a regulation amending Regulation (EEC) No 2908/83 on a common measure for restructuring, modernizing and developing the fishing industry and for developing aquaculture.

Proposal from the Commission to the Council (Doc. C 2-123/85 - COM(85) 609 final) for a regulation on a system of structural aid for the conversion of sardine canning plants.

Mr Guermeur (RDE). — (FR) Mr President, just a few moments, please, to add my support to the request

¹ Waiving of the parliamentary immunity of a Member — Documents received — Change in referral — Topical and urgent debate (announcement): see *Minutes*.

Guermeur

that these two texts be treated as a matter for urgent debate. Since the question is one of structures, we appreciate that this part-session is not the best one in which to make substantial amendments to a regulation. These structural measures will primarily affect the Spanish and Portuguese. It is only courteous, furthermore, to wait until they have joined us before discussing them. I thus endorse the initiative taken which calls for the subject to be made a matter of urgency.

On this point, Mr President, I should like to see the Commission putting to the Council half-way through the year, that is towards mid-1986, a proposal for amendment of the regulation on restructuring to do away with the current maximum of 33 metres as applied to the financing of shipbuilding and modernization. This is very important, because the building of larger ships would enable the Spanish, in particular, to fish outside Community waters, thus easing the pressures on Community stocks.

As for the regulation on sardines, Mr President, this is an extremely important and pressing regulation since it is designed to enable European production capacity to adapt and square up to what can only be called the threat of invasion by products from southern Europe. Measures are thus essential to permit European production units to adapt, modernize and concentrate their strength.

I would ask the Commission to consider how this regulation may be used flexibly, in such a way that the production unit is not regarded as necessarily limited to current production. I think we need to be fairly flexible to include all this within a framework arrived at by structural conversion, concentration measures.

These, Mr President, are the few points I wanted to make. But I shall say more when we come to vote, when I shall speak to defend the amendments tabled by the Committee on Agriculture, Fisheries and Food.

Mr Provan (ED). — Mr President, I asked as a matter of principle yesterday that when the Commission requests urgent procedure, it should be prepared to state the reason for the urgency so that Parliament can make up its mind properly. There have been a number of occasions in the past when the Commission has requested urgent procedure and Parliament has not had time to consider the proposals from the Commission. I am not saying that it is so in this case. There is a reason for voting in favour of this because of the accession of Spain and Portugal to the Community. However, I think it is important for Parliament to establish a principle that in future, when the Commission requests urgent procedure, it should be prepared to give us reasons for that request.

President. — Mr Provan, in fact it is the Council who are asking for urgent procedure, and in Doc. C2-

123/85 they do give an explanatory memorandum. Whether that is satisfactory or not, of course, is for the House to decide. But it is there if Members wish to read it.

Mr Provan (ED). — I think it is the same for Council as for the Commission, Mr President.

(By successive votes, Parliament decided on urgent procedure for these two proposals for regulations)

President. — These items will be included on Friday's agenda. The time-limit for tabling amendments is 6 p.m. on Tuesday, 10 December.

3. Welcome

President. — I have great pleasure in welcoming in the official gallery the Knesset delegation led by the Speaker of the Knesset, Mr Shlomo Hillel. This delegation, which we are very happy to see in Strasbourg, has come to the European Parliament for its eleventh meeting with our delegation, which is an indication of the long-standing nature and high level of our excellent relations with the State of Israel.

I hope that this new meeting will enable us to move a further step forward in our dialogue, not only on matters linking us in the framework of our agreement with Israel but also on the major international problems which concern us. I hope that this eleventh meeting will meet with every success and I would ask you to convey our friendly greetings to your people.

(Applause)

4. General budget for 1986

President. — The next item is the joint debate on two reports, on behalf of the Committee on Budgets, on the draft general budget of the European Communities for the financial year 1986, amended by the Council:

— by Mr Christodoulou (Doc. A2-189/85), on Section III: Commission; and

— by Mr Louwes (Doc. A2-190/85), on Section I: Parliament; II: Council, Annex I: Economic and Social Committee; Section IV: Court of Justice; and Section V: Court of Auditors.

Mr Juncker, President-in-Office of the Council. — *(FR)* Mr President, ladies and gentlemen, we are now very close to the climax of the current budgetary pro-

Juncker,

cedure. Time is pressing. And so, as the matters at issue are well known to us after lengthy debate, I can be concise.

When I put to you the broad lines of the second reading of the draft budget as amended and modified by the Council, and referred to the results of the first reading, I emphasized three major aspects.

I told you firstly that the Council was prepared to reflect in the budget the spirit which had prevailed during the accession negotiations, particularly regarding the solutions which needed to be found in the transitional period, and I promised that the Council would honour its commitments during the second reading. I can confirm today that this undertaking has been upheld. The Council has entered in the draft budget all the appropriations which the Commission requested for the Social and Regional Funds. It has also given an unequivocal undertaking to pronounce on a draft supplementary budget. Consequently it has invited the Commission to submit such a budget to the budgetary authority if additional requirements become apparent next year, reflecting its desire to honour the commitments undertaken by the Ten towards the new Member States.

Secondly, I assured you that the Council would take a substantial step at the second reading, following an in-depth study of the problem generally referred to as the 'burden of the past'. The Council has done this by earmarking 400 million ECU for the two big structural funds — the Regional Fund and the Social Fund — and by asking the Commission to report to it in mid-1986 on how these two funds are doing. We ought to be clear on the fact that this report is not intended simply to embellish our libraries. By no means. If this document should reveal that action by the Council is required to enable the two funds to operate effectively, the Council will at once take the necessary decisions on the basis of proposals put to it by the Commission.

Thirdly, I told you on many occasions of the Council's desire to see Parliament, an arm of the budgetary authority which enjoys a real power of decision-making, shoulder a portion of the costs generated partly by enlargement and partly by earlier commitments. Enlargement, in recent years, has been a policy constantly and firmly upheld by Parliament in the name of the Pan-European democratic ideal. The 'burden of the past' is to some extent the result of a repeated imbalance between the appropriations for commitment and appropriations for payment entered as non-compulsory expenditure in the last five budgets by the two arms of the budgetary authority. In the name of the joint responsibility we bear in these matters, the Council suggests that you should in the second reading earmark a substantial part of your margin to cover this expenditure.

Before concluding this brief review of the Council's second reading, I would point out that three of your

amendments which carry a special political significance have been approved by the Council. First of all there is an increase in the appropriation for the IMPs. There is also an additional sum for the contingency reserve set up at your instigation, and there is the programme of positive measures to benefit the black population of South Africa, based on your proposals.

In conclusion I should like to stress once again the enormous benefit to the Community of having the two arms of the budgetary authority agree on the final content of the 1986 budget. We are both aware of the enormous damage done by our disagreements in the past. You must now give me assurances of your willingness to reach a compromise with the Council. You can imagine the problems likely among twelve Finance Ministers, ten of whom have agreed after bitter wranglings on a compromise put forward by the Council presidency, if Parliament failed to declare clearly its own willingness to compromise.

Now that Spain and Portugal are joining the Community I should like our future agreement to give the lie to this climate of doom and gloom which has too often prevailed in the budgetary procedures of previous years. The budget procedure reflects the state of the entire Community: its inadequacies and potentials are a faithful measure of the state of health of the European edifice we are in the process of building together. To this extent, Mr President, it is a valuable diagnostic aid.

Mr Christodoulou (PPE), *general rapporteur*. — (GR) Mr President, now that we are approaching what I hope are the final stages of the laborious and difficult procedure of the preparation and approval of the 1986 budget, I think a brief review would be of value to us all. It would be useful not only in helping us to accept the decisions we must take, but also in listing the points and aspects which render further analysis and certain partial decisions necessary.

The 1986 budget contains some very special features. Firstly, it is the first budget which is to be put into effect for a Community of Twelve. Secondly, it is a budget with, for the first time, an increase in VAT to 1.4%, and thirdly, it is a budget a large proportion of which will have to cover — or at least so it appears — the new element of the burden of the past, that is, the commitments of the Community structural funds which have accumulated over the years.

From the beginning, the European Parliament has laid down certain points of principle. First of all, the budget will have to cover the cost of enlargement, so as to attain financial equilibrium for the two new countries of the Community. Secondly, the budget will have to remain within the strictest possible limits if it is to ensure that the Community structural funds function properly. These two questions constitute the basic elements introduced from the beginning and which

Christodoulou

continue to be the corner-stone of Parliamentary policy concerning the 1986 budget.

Following its investigation, the Commission came to certain conclusions which it has since stated repeatedly, namely that as regards the cost of enlargement and the weight of the past which would have to be expressed in cash terms, it settled on the sum of 1 835 m ECU, which it still continues to consider as absolutely essential for these purposes. This question was repeatedly put to the Commission in discussions held within the Committee on Budgets, and the reply was always that this is the amount required under current conditions for the two funds to function properly and for enlargement to proceed as planned in the Agreements. The Council acknowledged this problem: there was never the slightest dispute on this point — and this is to its credit — and it declared that it would accept this during the second reading of the budget. After the first reading by the Council, the European Parliament's opinion was that the first reading was in fact invalid, since it did not cover the matters involved and failed to tackle the totality of the problems. Moreover, this same Council continued to make declarations of this type, saying that many of the basic questions which we discussed previously would be dealt with in the second reading. On this basis, the European Parliament proceeded, in its first reading, with the entry of 1 600m ECU in total, for the cost of enlargement and for the smallest possible amount which would ensure the smooth working of the structural funds. I must emphasize this sum of 1 600m ECU, as compared to the 1 835m ECU sought by the Commission, with special stress on the fact that, in the judgement of the Parliament, this reduction was the result of our objective of fixing the lowest possible level consonant with efficient operations. We abandoned the figure of 1 835m ECU, which the Commission put forward as absolutely essential. We imposed a modest cut because we felt that with a certain amount of intelligent management, this sum could indeed be reduced, thereby keeping to the indications which the Council was urging us to observe. Furthermore, we asked for the entry of 250m ECU as a reserve, to meet any contingencies which might arise from enlargement. In the second reading, the Council, as its President quite correctly said, fully recognized the principles enounced by the European Parliament. It recognized them and sought, as far as it could, to accommodate them. However, while it agreed to the principles, it failed to approve the appropriations needed to put these principles into practice. When we have 816m ECU, 416m to cover the cost of enlargement and 400m to meet the accumulated demands of the past, when the amount mentioned by the Commission is 1 835m ECU and the amount proposed by Parliament, working according to strict criteria, is 1 600m ECU, I cannot understand how the supposed acceptance of these principles squares with the amounts actually approved.

I would also like to point out that the 816m ECU entered by the Council includes 115m ECU from Par-

liament's own margin. This means, in effect, that the parliamentary margin has been cut to 100m ECU for payment credits and 122m ECU for commitment credits.

Lastly, the 250m ECU reserve for the possible effects of enlargement was removed and replaced with a statement, calling on the Commission to carry out an investigation and confirm whether the need exists — with the aim, as mentioned by the President of the Council previously — of bringing about a supplementary budget.

Another point for us to consider is that in the second reading, the Council made no provision for an increase in commitment credits for the Ten.

I have the following remarks to make on these points: the Committee on Budgets is highly satisfied by the acceptance on the part of the Council of all the concepts and principles made by it. As I have also said previously, we do not understand how the acceptance of these principles tallies with the sums approved. For example — and at this point I wish to make myself absolutely clear, ladies and gentlemen — if you take a close look at how payments for the structural funds are to be effected during 1986, adding the amounts for enlargement and the weight of the past, you will see that the cost of enlargement just cannot be met. Current regulations do not allow the Commission to make any distinction between payments. If then, in theory, these 816m ECU approved by the Council — if we assume this position to be accepted — are exhausted within the first months of the year by the existing programmes of the Ten states, there will not be enough left for Spain and Portugal. This question was put to the Commission on several occasions, the answer being that in accordance with the current regulations, no distinction is possible. The Council did ask the Commission to show some flexibility in this area. What interpretation should be placed on the word 'flexibility'? If it means 'look, when the Irish or the Greeks or the Italians turn up, don't pay them, but do pay the Spaniards and the Portuguese when they turn up', then this is clearly discriminatory and is not in my opinion compatible with either the Council's objectives, or with the powers of the Commission. Flexibility, dear colleagues, does have some limits. This is exactly the statement made by the Commissioner responsible for the budget, when questioned on the matter.

I want us all to be quite clear: the entry of these amounts, for all the good intentions to meet all requirements and appropriations needed for enlargement, seems likely to give rise to a large number of problems. There is also the method of substitution of correct and orthodox financial measures, in other words, the entry of the appropriations required by means of declarations. We have nothing against declarations. If we could have declarations which provided for the establishment and entry of supple-

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mentary budgets to cover the incidental requirements of the 1986 budgetary year, we would gladly accept the Council's proposals. Unfortunately, however, the structure within which the Community works, the regulations and the treaties forbid the assumption of any financial commitments in this area at this time. The Council's good intentions are not in doubt. We are sure that as soon as they declare that they will set up supplementary budgets to cover the margin which will be made necessary by the general costs of enlargement, that is, the 250 m ECU we mentioned earlier, and which will also be required to ensure the proper functioning of the structural funds, they will have every intention and every reason to implement it.

Unfortunately, the partial policies of the various States, the eventual changes of government and policy may, during 1986, create such problems that the supplementary budgets will not be set up and we will, colleagues, be faced with gaps and will land ourselves with an increased, and insoluble, weight of the past, over the coming years. Because, ladies and gentlemen, in the years to come we will not have the margin allowed to us this year, 1986, by the introduction of 1.4% VAT. Against all the probabilities, this year is the only one in which we will have any financial flexibility with which to cover the prior commitments to any appreciable extent. And I would not wish for one moment that the attempt to meet the commitments of the past, provided for in the regulations, should result in a reduction in commitments assumed by the Community concerning Spain and Portugal.

I have here with me a note dated 9 December which Commissioner Christophersen sent to the President of the Council, reminding him that by the end of the year — today is 10 December, so with the holidays coming up we do not have many working days left — coverage must be provided for the amounts foreseen in the interstate agreement reached half way through the year, to cover a supplementary budget for 1985. According to the Commissioner, many of the States involved have not yet paid these sums, although we are at the end of the year and the agreement was reached in the middle of last year. Just imagine what the effect will be on the structural funds, and on the cost of enlargement, which should be met by these funds, if we have the same story next year, in other words if by December we are still waiting for the supplementary budget to be established, the budget which should cover the entries generated in February, March and April. What will happen to all the small businessmen, small-scale programmes, the individuals who will be expecting their money? And what will the repercussions on the smooth functioning and good name of the Community be? We are then quite prepared to accept anything which will ensure that the Community can perform its proper function, as part of our very real desire to reach agreement with the Council.

Lastly, I would like to point out that, in relation to the matter of commitment credits, we are fully prepared to

discuss and carry out whatever arrangements are needed in order to achieve a just balance and to satisfy probable reservations raised either by the Commission or by the Council. I should warn you that if the commitment credits are condemned to complete standstill, then of necessity the same happens to the new Community policies. And that is something which none of us wants to see happen.

I also want to say something else which in my view, Mr President, demonstrates Parliament's genuine desire to come to an agreement with the Council. We have complied thoroughly with everything asked of us. We were asked to participate, with our very meagre margin, in meeting the cost of enlargement and the weight of the past. We have done this. The Committee on Budgets has decided that we should participate in this area of enlargement and the weight of the past with the Council to a proportion of approximately 10%. And yesterday the Committee on Budgets decided to proceed with a modest cut in what I repeat is already a very restricted margin, as proposed by Parliament, with exactly this aim in view, that is to contribute to enlargement and the weight of the past. We were asked to reduce commitment credits. We are ready to discuss and implement this within the limits of what is possible. We were asked to decide on the cost of the past so that a durable arrangement could be set up. Bearing in mind what I said earlier about future Community resources, we have already made a cut and we are willing to discuss whatever you may tell us is required to keep the structural funds working properly and to allow the commitments to the two new Member States to be met. So, we have done everything we were asked, and now we await your response.

I should like to say a few words about what could in all probability occur in the event that we find ourselves in a situation in which neither a supplementary budget is established, nor do we have sufficient resources in the structural funds for their work to continue. What, ladies and gentlemen, would happen to the integrated Mediterranean programmes, which Mr Delors, the President of the Commission, is so justly proud of having created? As you know very well, the integrated Mediterranean programmes receive a substantial proportion of their available resources from the structural funds. When the structural funds no longer have appropriations to dispose of, the Mediterranean programmes will also be frozen before they can be implemented. What will happen to the Luxembourg Declaration? The Declaration states with complete clarity that we must, within the limits of what is currently possible, try to proceed with a policy of coherent development — which means economic convergence — and that the main force behind this effort is to be the structural funds. If the structural funds are already left without sufficient resources at the beginning of the year, the Luxembourg Declaration will lose all validity, and I shudder to think of the consequences for Community reliability if the commitments towards

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Spain and Portugal fail at any point during the course of the year.

Therefore, Mr President, we want to get an agreement, for the good of the Community. We all want this, not one of us is against this aim, and we are united in wishing to avoid the kind of situation which sometimes arises, in which the Community is exposed to all sorts of comment in the mass media. We want agreement, with all the benefits that will flow from it. But Parliament is not after agreement for agreement's sake. The agreement to be reached must foresee and provide for all the eventualities which we have discussed time and time again. We are ready, Mr President, to come to such an agreement immediately, but there are things that we want from your side, from the Council. We want to hear that the problems which we have analysed and which I am sure you are only too well aware of and which you are attempting, to the best of your ability, to solve, are to be covered by this agreement; that we will have the resources required for the structural funds; that the cost of enlargement will be met; and that the concept of a supplementary budget will not remain a vague notion floating in a political limbo, but will take root and will be seen in effect as the assumption of a financial commitment. If you are in a position to make proposals of this nature, then you can count on our agreement. Otherwise, Parliament will, as it always has, have to assume responsibility for finding a solution which will safeguard the Community's good name, and which will secure correct financial management.

(Applause)

Mr Louwes (L), rapporteur. — *(NL)* Mr President, at the second reading the Council has not made any material — I repeat, material — changes to the draft 1986 budgets of the Court of Justice, the Court of Auditors, the Economic and Social Committee or this Parliament. This should give us a feeling of satisfaction towards the Council and those who lead its deliberations and contrasts starkly with what we have just heard from Mr Christodoulou.

Unfortunately, the Council has refused, and not for the first time, to support the request from the Court of Justice for the establishment of a 'chamber of the first instance for staff cases' and so on. As I pointed out last month, this is something the Court of Justice has dearly wanted for a number of years. At the first reading Parliament therefore inserted a modest token entry and in the resolution urged that this matter be discussed by the three Presidents during the famous tripartite consultations. But, as we all know, the Council sticks to its guns, for good or evil, or at least that is how we see it. And so the Council has unfortunately deleted the token entry. I propose that the House reinstate this entry and thus vote for the amendment Mr Hume has tabled on behalf of the Committee on Legal Affairs and Citizens' Rights. I also propose in para-

graph 3 of the resolution that the tripartite consultations still be held in the first half of next year.

To conclude, Mr President, I was surprised to see that the Council had classified the budget lines relating to the retirement or termination of service of senior officials as compulsory expenditure. As you know, this arrangement is designed to make posts available for officials from Spain and Portugal and is a voluntary scheme. Furthermore, it will cost little or no money. I appreciate that the procedures involved in this arrangement should be the same at all the institutions and that they should be adopted by the Council. It is right that that should be regarded as compulsory, but the amounts involved entirely depend on the number of people who voluntarily take advantage of the scheme, and that cannot be regarded as compulsory. The Committee on Budgets therefore says in the resolution that it cannot accept that this expenditure is compulsory. I hope the Assembly will approve the views of the Committee on Budgets on the points I have mentioned.

Mr Moorhouse (ED), draftsman of an opinion for the Committee on External Economic Relations. — Mr President, on behalf of the Committee on External Economic Relations, I should like to make some general remarks regarding the budgetary aspects of Community trade policy. We regard the items under this heading as of the utmost importance since the results and the rewards to be gained affect the very development of our economy and the unremitting fight against unemployment. Moreover, the amounts involved are relatively modest compared with sectors like regional policy and social policy.

Let me stress just two points. Firstly, there is the need to promote our exports on the external markets by making our products better known and better respected. The Community programme is an effective way of promoting our position on the world markets without resorting to, say, costly export subsidies which may well lead to trade wars. The many methods of doing so include participating in trade fairs and sending business executives to the on-the-spot training programmes in Japan, which have proved so successful over the past few years.

Secondly, it is important that this effort be made by the Community in the Community's name. Trade policy falls quite clearly within the Community's competence. Our trading partners should realize at all times that they are dealing with a community of Member States which follows common guidelines concerning trade policy. I would therefore recommend, as far as the 1986 budget is concerned, the adoption of the amendments proposed by the REX Committee and, as regards future budgets, we should bear in mind, I think, that trade policy as a sector needs to be given a much higher priority than it has had up to now.

Moorhouse

For this reason I recommend, as I say, the particular amendments standing in the name of the committee.

Mr Eyraud (S), *draftsman of an opinion for the Committee on Agriculture, Fisheries and Food*. — (FR) Mr President, ladies and gentlemen, as the discussions between the institutions progress it is apparent that the major loser under the 1986 budget is the guidance section of the EAGGF. Did not the Committee on Budgets, at its 3 December meeting, protest at the shortfall of 90 million ECU, without which the Fund will be unable to operate normally throughout the year?

Admittedly, against the difficult background to our work we have had to make painful choices. During the procedure I have nevertheless, on behalf of the Committee on Agriculture, given several warnings against dangerous retrograde steps in structural policy. Even if we have to adopt a policy of austerity, it must not exclude justice. Parliament and particularly its Committee on Agriculture are aware of their responsibilities. Discussion in committee of the Tolman report showed that whilst sacrifices were necessary, solidarity had to be maintained.

Consequently, and in order particularly that measures to aid the poorest regions may be continued, I am asking that at the final conciliation stage part of the 21 million ECU hived off from our margin to cover the costs of enlargement and past commitments be allocated to the guidance section of the EAGGF.

Looking to the future, I would warn all the institutions, Parliament included, against believing the myth whereby agriculture greedily swallows up more than its fair share of the budget.

Getting the budget back into balance at the expense of the CAP is a delusion, even if this provides a sop to public opinion, poorly informed in any case, when we tell them that the EEC's agriculture spending has at last fallen below 70% of the total budget. This may lead us to a Community of half-policies which will bring total failures rather than half-successes.

Let us guard, my friends, against letting national interests again dominate the CAP, for this would be tantamount to destroying the Community by our own hand, something I trust none of us wishes to see.

Mrs Giannakou-Koutsikou (PPE), *draftsman of an opinion of the Committee on Social Affairs and Employment*. — (GR) Mr President, colleagues, the budget which our Parliament approved during the first reading is nothing if not a perfectly rational proposal for the satisfaction not only of specific needs but also of outstanding commitments. All the rapporteurs, the general rapporteur first among them, have stressed how important it is that the weight of the past should be resolved, since commitments are entered into in order to be met, not to be left on paper only.

Our committee has from the beginning emphasized that the commitments towards Spain and Portugal — the two new Community nations — must be honoured, but at the same time the weight of the past must be resolved, by designing new Community policies. No doubt, you will tell me that the Council will not think it possible to satisfy all three needs together. I, and our committee, firmly believe that this is possible, through genuine dialogue, not aimed at finding a middle way by splitting the difference — which is exactly what has happened with the Social Fund, which the Council cut from 473 to 226m ECU — but by coming up with a more realistic and rational way of accommodating the needs and commitments which have been incurred. Our committee would certainly be willing to discuss the point as to whether the Council was really in a position to suggest the solution involving a supplementary budget, as the general rapporteur said. However, equally certainly, we would wish to make it clearly known that with regard to chapters 63 and 64, it is not, in our opinion, possible to cut the appropriations corresponding to the family, or the elderly, or work organization and job enrichment, while Parliament is preparing new policies in these areas.

Mr President, dear colleagues, our committee considered its proposal, made during the first reading, to be the most rational and realistic one available. It is nevertheless prepared to enter into discussions to identify the solution most acceptable to all, in good faith.

Mr Mallet (PPE), *rapporteur for the Committee on Energy, Research and Technology*. — (FR) Mr President, ladies and gentlemen, during yesterday's meeting of the Committee on Budgets major sacrifices were demanded of the Committee on Research and Technology, and in our view these sacrifices were excessive.

We have a modest budget representing only part of chapter 7, some 46 million ECU for our amendments affecting commitment appropriations, and some 13 million for our amendments on payment appropriations. We believe that the cuts requested of our committee are excessive.

Having said this, we do of course wish to arrive at a fair solution with the Council, and our Committee can contribute usefully towards finding such a compromise.

I should like, one last time, to draw the attention of the European Parliament to the fact that we must in future establish harmony between budgetary decisions and the objectives laid down by the Community and announced by Parliament as regards developing research and technology, the sector which truly constitutes the future of Europe and one of the essential elements through which the Community will progress. I note that this has not been the case this year. Let us hope to do better next year.

Mr Remacle (S), *draftsman of an opinion of the Committee on Transport*. — (FR) On behalf of the Committee on Transport I should like to express our disappointment. This is nothing out of the ordinary since many speakers before me have voiced similar disappointment at the Council's attitude.

Concerning transport, let me say that the Commission's budget proposal was drastically pared by the Council's first amendment, and the amendments introduced by ourselves, albeit modest ones, were also swept aside, except for Road Safety Year which was given back its initial allocation of one million ECU. Since all the other proposals have been extensively trimmed we wonder why there is such prejudice against transport policy as a whole and we believe this justifies the Court of Justice's judgment condemning the Council's failure to act on transport policy matters.

In our opinion the amending budget just announced should re-examine in far greater detail — our Committee is unanimous in its view — all the options open regarding transport and infrastructures, options which have been considerably reduced. This is truly strange at a time when there is a declared willingness to find a plausible answer to the question of European transport policy.

An open market is, as you know, essential, but that presupposes the prior creation of a coherent transport policy. For this reason, Mr President, we are extremely disappointed by the Council's decisions.

Mr von der Vring (S). — (DE) Mr President, I do not think we should be haggling over arbitrary amounts, like horse traders. Agreed, the Council has indeed come up with an extra 900 million ECU, but whether that is a large or a small amount will depend on what can or cannot be done with it. For Parliament there were two main objectives, and the best of it is that these are in fact objectives that were also approved by the Council. We are not in conflict about the objectives. It is a question of the financing of enlargement in accordance with the undertakings given by the Heads of State and Government, and of ensuring that the funds can continue to operate normally in 1986. These are the two criteria that matter to us.

There is one point I particularly ask you to consider as representatives of the public interest. Don't just ask for percentages and amounts or be content to split the difference. Insist on being given a clear yes or no answer. What we want to know is: will Spain and Portugal be net contributors after the budget or won't they? And will the funds continue to operate normally in the other ten Member States, or will they be curtailed?

What is the position on this point after the second reading? The last few weeks have — or so it seems to me — brought some clarification. But the Council's

position, and consequently the situation of the funds, has not been made any clearer. The Council is talking about staggering the burden of the long-term debt, and I might be prepared to go along with that, but it has given totally inadequate explanations. The situation could be clarified by supplying a complete set of figures. If the Council cannot or will not approve these appropriations, then it is all the more important for it to state clearly what the consequences of under-funding of the Funds will be. Given this situation, the Council's three-point statement on the debt burden is a provocation.

If we accept the Council's second reading, the following situation will now be created: The Commission has established beyond dispute that the payment of bills for which commitments were entered into in previous years has clear priority in law. But what this will mean is that the Commission will use the payment appropriations in the budget in the first instance to pay outstanding debts as soon and insofar as bills are presented. The only way the debt burden could be staggered would be if bills were not presented by governments as they fell due. To that extent the Council's appeal to the Commission to be flexible has been sent to the wrong address. The Council itself has given no assurances that the debt burden will in fact be paid off in instalments, in other words the Council's statement does not change in any way the fact that the long-term debt falling due in 1986 awaits payment and must be given priority by the Commission when it comes to implement the budget.

The Commission has stated subsequent to the Council's second reading that the cost of enlargement can be covered if the relevant supplementary budget is approved. That statement by the Commission is good enough for me. I note that the undertakings to Spain and Portugal can be honoured by the Commission in 1986, and that represents a major success for this Parliament, and one that we should clearly recognize as such.

(Applause)

But if the long-term debts bills are paid first, followed by the advances for new projects in Spain and Portugal, a large amount of the money that the Council has approved for the Funds will have been used up. There will be scarcely any appropriations remaining for the routine operation of the Funds, and that now is our problem. Specifically, this will affect the payments to be made from the structural funds in 1986 for new measures in the ten Member States.

The Commission had provided for some 650 million ECU to be allocated under the Regional Fund for this purpose in 1986. The Council's proposal will effectively reduce that to just 130 million. What does the Council hope to achieve by this? Does it want to reduce the 1986 Regional Fund advances to a minimal residue at the expense of the poorer Member States?

von der Vring

Or does the Council see itself as being in a position to guarantee that the rich governments will not in 1986 present bills that will be falling due to the tune of 500 million ECU? We await a clear statement on this point.

Under the Social Fund, where the assisted projects are totally dependent on ready cash, the Commission had made provision for 1 000 million ECU in advances for new projects in the ten Member States. The Council's draft will leave only 40% of this provision intact.

It is here that there has been talk of two half-yearly instalments and a supplementary budget in the summer. But the basic issue is no longer in doubt, and there is no getting round it: there is no room for such flexibility within the Social Fund. Commitments to the project backers must be given by the early summer of 1986, or these projects will die off. But the Commission cannot make payment commitments until the relevant appropriations have been entered in the budget; hinting at the possibility of financing these projects retrospectively simply will not do. A supplementary budget in the second half of 1986 would be too late for the Social Fund, and is not acceptable to me as a solution.

If the Council's approval in this area is not extended, then the 1986 Social Fund will be able to approve only half as many projects as in 1985, and that at a time of mounting youth unemployment. This would be totally unacceptable to Parliament. The Council too has done its own investigating. It knows the situation in the Social Fund as well as we do. It talks about staggering the accumulated debt burden and making fund administration more flexible, even as it fails to provide any guarantee for their operation. We cannot come together on that basis.

This behaviour of the Council will leave Parliament no option but to vote here on Thursday in the second reading for the additional appropriations that are absolutely vital to secure the routine operation of the funds, unless the Council is prepared to issue a clear statement acknowledging the real situation and guaranteeing, firstly, that the funds will be able to continue operating normally in 1986, and, secondly, that Spain and Portugal will not in fact become net contributors.

I am not asking for cash at this point. If it were in fact the case that the funds could continue to operate normally and the costs of enlargement be paid for out of the appropriations approved by the Council, then I would have absolutely no problem with the accumulated debt burden. To that extent I take the same view as Ove Fich. But the Council cannot expect to work magic, and that is the problem. It cannot feed the five thousand. The Council cannot even achieve its own objectives with the appropriations it has approved. That is why its statements have met with such a cool reception. There is of course always the same problem with the Council, and it is a problem of the Council's

own making: it wants both to have its cake and eat it. That has been a leitmotiv of the Council's for years, but it will not do any longer.

To sum up: We can certainly reach a compromise with the Council if it can give us firm guarantees that will remove the pressure of the accumulated debt burden from the financing of enlargement and the continued operation of the funds. Firm guarantees by the Council can take the place of budget appropriations. The additional monies that Parliament must vote at Thursday's second reading — and here I appeal to all my fellow Members to be precise on this point — will be precisely the amount that the Council is *not* in a position to cover by issuing such guarantees.

(Applause)

IN THE CHAIR: MR DIDÒ

Vice-President

Mr Griffiths (S), *draftsman of an opinion for the Committee on Regional Policy and Regional Planning*. — Mr President, speaking on behalf of the Committee on Regional Policy and Regional Planning, I would like to say that whilst we respect the Council's desire to ensure that the budget works effectively in 1986, we cannot accept the figures they propose. The figures they propose are well short of those originally put forward by the Commission and are considerably short of the figures put forward by the Parliament.

There is no way, in my estimation, that on the current Council figures, the Regional Fund can operate effectively in 1986. If the Council say they want it to operate effectively, then they should provide the money this year and not talk about a supplementary budget, because already in the regions there is alarm and despondency about the likely outcome of the budgetary procedure for 1986 and there is already talk about there not being sufficient funds for the Regional and Social funds to operate effectively in 1986. It would therefore be a considerable step forward if the Council recognized that we need to put all the money that is necessary into the budget straight away and not promise a supplementary budget, for if we look at the way in which the Fontainebleau Agreement, which Mr Christodoulou referred to earlier, has still not been implemented nearly eighteen months later, the prospect of a supplementary budget being put forward, let us say, in July and of being passed by October, is something which for the effective running of the funds is not at all satisfactory.

Now the Council say they will give us a supplementary budget, they will ensure that the richer nations do not take the money out of the funds so quickly, but really

Griffiths

they are treating the regions as beggars at the Community table by taking this attitude, and furthermore they are threatening that if we do not compromise further they will perhaps not provide the funds for the 1986 budget, so we are not just beggars, we are blackmailed beggars, and I would appeal to the Council to be realistic in their approach to the amount of money which is needed for the effective running of the Regional and Social Funds next year.

Mr Cornelissen (PPE). — (NL) Mr President, since the first reading of the budget various things have happened. Firstly, there has been a satisfactory dialogue between the Council and Parliament. Secondly, as a result of the conciliation procedure, the Council has added a substantial amount, some 900m ECU, to the budget. I should like to express my group's appreciation for this and say that we are particularly grateful to Mr Juncker for his efforts.

The Council realizes that 400m ECU is not enough to cover the costs that have been incurred in the past and has therefore adopted a statement that says further provision will have to be made for this in the next few years. The Council has also asked the Commission to be flexible in the administration of the structural funds and to report on the situation in mid-1986. This raises problems straight away. We are after all dealing with the budget. A budget must consist of figures. Statements alone are not enough.

The PPE Group continues to attach prime importance to the smooth functioning of the Community. This implies that it must be possible to achieve something with the structural funds in Spain and Portugal as well as in the other ten Member States. If the Social and Regional Funds are to function satisfactorily, continuity is essential. I therefore call on the Commission in particular to clarify this point. To what extent does the additional amount entered by the Council guarantee continuity? How, for example, can an acceptable decision be taken in March on the projects for which applications have been received? To illustrate my point, applications for some 300m ECU have already been received for projects in the Netherlands alone.

I have a second question to put to Mr Christophersen. He told the Committee on Budgets that a supplementary budget would be needed to ensure the smooth functioning of the Community. My question is this: how does his statement square with Article 199 of the Treaty of Rome, which says that the budget should cover all expected items of expenditure for the whole financial year?

I have just a few more words to say to the Council. Mr President, we are not asking for money for additional expenditure, we are asking that sufficient appropriations be included to enable commitments to be honoured and to ensure the smooth functioning of the Community. This can be done comfortably, I would

emphasize once again, without the 1.4% VAT ceiling being exceeded. We object to the burdens from the past being left to the future yet again. The closer we come to the 1.4% VAT ceiling, the more difficult it will be to find a solution.

The President of the Council asked us if the European Parliament is prepared to compromise. Mr President, the PPE Group for one is fully prepared to compromise. This implies that both sides must be willing to make concessions. Consequently, we have given the rapporteur, whom we greatly respect, every support for his proposal that part of our margin should be used in the search for a solution. We enter the consultation procedure with the firm desire to contribute to the finding of a solution. But it cannot be a solution at any price. I hope it will not come to this, but to make it absolutely clear, I must say that, if there is no alternative, we will adopt the budget without a compromise. I therefore make an urgent appeal to the Council to do its European duty and not allow itself to be paralysed by one obstructionist Member State. The citizens of Europe have a right to expect this. We shall not leave them, and particularly the unemployed among them, in the lurch.

(Applause from the centre)

Mr Curry (ED). — Mr President, at this stage in the proceedings I think we should all congratulate the rapporteur — or perhaps one should say, commiserate with him — on his period in office. He has had a particularly difficult budget to handle. I think he has handled it remarkably well. We have always done our best to support him. We hope we can continue to do so, as this is really the most difficult job that this Parliament imposes on any individual Member. I think he has discharged it with great honour.

I believe that under his leadership we have won a victory. There is a tendency occasionally to assume that we are heading for defeat, but if you compare the Council's draft at the first reading with the second reading draft, a very substantial advance has been marked. That advance is there, at least partially, because of a very firm line taken by Parliament. It would be silly for this Parliament to present as a defeat what is quite a significant victory.

The origins of the problem we are facing are two-fold. One is the nature of the budget presented by the Commission which suddenly came up with the problem of the so-called weight of the past — the over-burden of commitments. I do not recall having heard, until the budget was presented, any serious warning that this problem existed or would have to be tackled in this rather dramatic fashion. I think everybody was rather taken by surprise. This is not necessarily a reproach to the present Commissioner.

Secondly, the problem lay in the nature of the first reading performed — I think that is the right word —

Curry

by the Council. In fact, they failed to give the budget a legitimate first reading and, therefore, put Parliament, sustained by the Commission, in the position of trying to do the Council's work for it. Now that the Council has done at least part of its work, the relative position of the two institutions change. What we find now is that there is an agreement between Parliament and the Council on the objectives. The problem is how we achieve that objective. At the heart of it lies a certain political perception. Either you believe that at the end of the day, if Parliament goes ahead and votes a budget which the other institution regards as illegal, the Council will swallow it and buy it because it is too inconvenient and difficult not to do so for a variety of reasons, or you believe that the Council will dispute it and that we will thereby enter an extremely messy, unhappy and disagreeable period at the worst possible time for the Community. I must say that my perception leans towards the pessimistic of these two alternatives. I do not think that we can assume that we will not find ourselves in a situation of dispute.

Which perception you take governs arithmetically, exponentially what course of action you recommend. Inevitably, we are in the business of seeking both assurances in relation to cash, and declarations. It appears to me that there are three elements on which we need to discuss with the Council what form of bankable guarantee the Council is willing to give us. Not the sort of thing which the Council wrote into the first reading — that curious little phrase about not having got it right this time but it will be put right next time — but something which has a much more solemn content to it.

Such reassurances need to cover three elements. First, they should cover the need for a supplementary budget for the Social Fund. The President-in-Office has been very helpful in saying that if the report shows a quite clear need it will be met, but that has to be a commitment undertaken by all the people who are going to have to provide the money for it. Secondly, the Council has made a down-payment, as it were, on liquidating the problem of 'the weight of the past' of 400 million in the structural funds and the President has very helpfully said that he anticipates that there will be an equivalent effort made in future years. Well, here again this needs to be a statement which is affirmed by the college of the Council collectively, giving some idea of what is meant by equivalent and what is meant by effort. Finally, there is the supposition which underlies the budget that certain Member States will exercise a sort of reticence or self-control in their demands upon the Funds, and we need to be certain that this is actually going to translate into practice and that it is not on the level of pious declarations.

If all this can be put in some form which is institutionally recognizable — which is a rather heavy expression — in the form of a formal Council minute, or a formal declaration between the different institutions, then I think that we will have laid the groundwork for solv-

ing the immediate crisis and for defining the road upon which we go to solve the more eventual crisis. I think we have to be careful in Parliament not to become over-obsessed with the structural funds. They perform a very important economic role. They perform an important role in the transfer of resources and the whole business of economic convergence. But we must not assume that they are always going to be written up there in gilt letters and that there are not other areas of activity in the fields of industry, research and development which also have a legitimate claim and which may in due course come to be more important than the actual funds themselves in the whole pattern of Community business.

On top of this, of course, there has to be extra money from the Council side. The declarations by themselves will not suffice without the expression of Council's good will in the form of additional resources made available on the payment side immediately. That is an area where my group is willing to meet the Council to try to arrive at a sum which is mutually satisfactory.

What are the objections to this approach? The first objection is that somehow it represents the betrayal of the points of principle on which Parliament went into battle. But the fact of the matter is that when we drew up our own first reading proposals we ourselves knew that the structural funds would be inadequately served, even by our own figures. So we ourselves were presupposing a supplementary budget. Therefore, if we are consistent, what we should be interested in is defining the parameters of that supplementary budget.

The second important thing to note is that the position of the Commission has also changed between the two readings. By the time we came to our first reading the Commission had got very little from the Council and was quite properly urging us to try and put right the deficiencies of the Council. There is now a situation with which the Commission can live provided that *it* is able to trust the Council's declarations in the way that *we* are seeking to be able to trust the Council's declarations. That means that there is little point in Parliament riding into the sunset if we are not sustained by the other institutions. I think we have to look carefully at the balance of forces arrayed in this argument.

At the same time, one must remark that the budget is still a fairly shoddy affair. Let us look at the reasons why the financing is inadequate, whether or not they eventually provoke a supplementary budget. There is the trend of agricultural expenditure. There is the British rebate on which a supplementary budget is promised. There is the supplementary budget which we are promised will certainly be necessary for the Social Fund. There is the acceleration of the tariff cuts in the Tokyo Round which may affect the revenue side. There is the question of the relationship between the Italian currency and the ECU. There is the matter of any unexpected shortfalls in the finances available for

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enlargement on which the Council has specifically invited the Commission to produce a supplementary budget should that be necessary.

In other words, if one takes the view that the purpose of a budget is to fulfill all reasonably anticipated items of expenditure and revenue, then the present budget falls short of that criterion and it does, quite honestly, constitute the sort of budget which a national parliament would have very great difficulty accepting. I think we should be prepared to accept it as modified only in the context of a Europe living precariously between the two ceilings of 1% and 1.4%, of all the external pressures pushing us towards a financial crisis and with two new members joining who at least have the right to be certain that theirs is an organization which knows where it is going and not one which is in the middle of institutional guerrilla warfare.

Mr Chambeiron (COM). — (*FR*) Mr President, I should like to make a few comments on behalf of the French members of the Communist and Allies Group. Previous speakers have all alluded to the way in which the Council made dismal cuts in the Commission's 1986 budget proposals, refusing to allow adequately for the costs of enlargement and of previous commitments. It seemed to us that in order to soften the impact of these decisions which, if I read it rightly, were intended to prevent the European Parliament from upstaging the Council, the Council had made an increased number of declarations of intent. Consequently, after Parliament at the first reading restored a more coherent, more responsible budget, we expected the Council to take its revenge at the second reading.

It has to be said, ladies and gentlemen, that the public declarations which formed the conjuror's hat have yielded only a few concrete decisions by way of a rabbit. All right, the Council has taken a step forward by increasing appropriations by 900 million ECU, but that is in the last analysis barely 40% of the additional requirements proposed by Parliament at the first reading.

Once again the Council has stopped half-way and has contented itself with the vague promise of a supplementary budget during 1986. One may wonder what guarantees we have in view of the way it treated the amendments approved in the first reading.

Budgetary discipline is confirmed for agricultural spending. The Commission's recent proposals on cereals and beef and veal, implementing its Green Paper, point to a double clamp-down on production and prices during the next round of farm price fixing. The farmers will thus suffer from this mechanism which aims to adjust a policy to a budget, whereas logic suggests that the converse should be the rule. The National Assembly's delegation to the European Communities has also remarked that budgetary discipline is only strict as regards agriculture, which suffers

as a result. I agree with this view and deplore the Council's bland dismissal of the amendments approved in the first reading which aimed precisely at starting to restore a balance in farm spending, to the advantage of those areas of production currently experiencing the greatest difficulties. But, unlike my country, the United Kingdom will not suffer as a result of the Council's decisions, as its contribution will be 66% lower than in 1985, reflected in a percentage of VAT resources far lower than that of the other Member States.

The Council is thus confirming the systematic nature of the UK refund which, by reason of the procedure involved, escapes control by the budgetary authorities. The meagre sum allowed by the Council for the costs of enlargement proves that the warmest supporters of the Community of Twelve continue to refuse to pay for it, being interested only in the advantages offered by the opening up of new markets.

As regards spending on the development of food aid, the Council's moves are scarcely more than symbolic. It agrees to a little bit more for the transportation of food aid and finally agrees to the setting up of an emergency reserve. But overall it stands by the appropriations in its first reading. To preserve appearances it counts on the transfers now being proposed by the Commission. But I do not think it is by taking away from the NGOs, which have proved their worth on the ground, and giving to other budget lines, that we can halt world hunger. And I am glad to see that the Committee on Budgets, during one of its earlier meetings, did not fall into the trap but blocked this manoeuvre.

Once again, I have to say that the Council has missed a chance to put its money where its mouth is. It has refused to earmark appropriations for Turkey, as the European Parliament wanted, and so its fine words on human rights have fundered on the rock of strategic and financial interests.

In its second reading the Council has refused altogether to remedy the inadequacies and omissions of its initial budget draft. Far from being a break in the clouds of economic and social crisis, this Council budget is just one more storm which we must prepare to weather.

Mrs Scrivener (L). — (*FR*) Mr President, ladies and gentlemen, may I first of all thank our rapporteur, Mr Christodoulou, for the task he has completed under extremely difficult conditions and to wish him luck in all that still remains to be done between now and Thursday's vote. Secondly, I should like to thank the President-in-Office of the Council for all he has done, for here too we are aware that his position is an awkward and sometimes uncomfortable one.

Let me now make a quick review of the European Parliament's first reading and how it may be judged. I

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think we may safely say that at this stage of the proceedings Parliament's vote has been and is a success. A few weeks ago we had a budget draft which was totally unacceptable, the mere semblance of a budget. But today, following the Council's second reading, we have a draft which, although unsatisfactory, can in my view form the basis of a true final reading of the budget by this House.

As far as enlargement is concerned — this was, ladies and gentlemen, the focal point of our discussions — I think the situation is satisfactory. The new members themselves think so and so does the Commissioner, because Spain and Portugal will be in a position of financial equilibrium, which was very important.

We are glad, of course. But another fundamental problem arises in this 1986 budget, that of the structural funds. My colleagues have spoken about this at length. No one can deny that these funds in fact constitute the crux of the 1986 budget. Why? Because they will cease to pay out during 1986 unless they are given more money. We are thus promised a supplementary budget. But you will agree that this is very bad management, because provision is not made for all the sums which will be necessary, and budget promises are a poor substitute for figures when we consider seriously what a budget represents.

This being the case, I think we have to be realistic and not go for all or nothing, saying that unless the figures of our first reading are restored virtually in their entirety there is no way forward. For a way forward can always be found.

Mr President, it seems to me that the truth lies somewhere between two extremes, as it so often does. I am happy that everyone is talking today of compromise, and provided that compromise does not mean Parliament giving up or being stripped of its powers, but objectively analysing the present circumstances, this is a good thing. It is worth pointing out here that the very logic of the budgetary procedure lies in the fact that no one arm of the budgetary authority determines the budget on its own. There is to be no imposition, by Council or by Parliament. Let me be clear on this: when we speak of compromise this means that there must be a very real effort on our part. But on the Council's part too, for too often in the past I have attended conciliation meetings where our delegation faced a Council which, unhappily, had nothing or virtually nothing to propose. We know what that led to. Mr President, it is our heartfelt wish that this House should not, year after year, have to reconstruct the drafts put before it by the Council. We would prefer not to be regularly a kind of 'Community policeman'. We would dearly love to see budgetary procedures conducted in a climate of good understanding between the two arms of the budgetary authority. Sadly this has not been the case for a number of years.

The days remaining before Thursday's vote are thus essential. We hope they will allow a true dialogue to

resume. We for our part are willing to try. The European Parliament is a responsible institution and will do everything within its power to bring this about. I cannot believe that we shall fail, for the nuisance of not having a budget — I address myself particularly to my colleagues here — is so great that efforts are essential on the part of all of us.

We are faced, I would say in conclusion, with a political decision which will quite simply prevent the Community from falling apart.

Mr Pasty (RDE). — (*FR*) Mr President, we are approaching the end of our budget negotiations which, following a well-established tradition, are once again the focus of a crisis between Council and Parliament. And yet we could have been spared it this year, because own resources will have gone up as a result of enlargement.

Whilst paying tribute to the efforts of the Luxembourg presidency towards reaching an acceptable compromise, we still find it as hard as ever to understand the thinking of the Council of Ministers — this ten-headed hydra which will shortly have twelve heads. We are past counting the contradictions.

In Luxembourg the Community Heads of Government made timid attempts to press on with the building of Europe. On the insistence of the poorest members they adopted a chapter on cohesion, based on a significant increase in the role of the structural funds. Yet a week earlier the Finance Ministers of the same Community had adopted decisions which render these structural funds powerless.

It is legitimate to wonder whether, in addition to the problems caused by the existence of nine working languages, we should not add the mutual incomprehensibility of 'budgetspeak' and 'politicospoken'. What cacophony! A poor end, Mr President, to European Music Year.

Contrary to the Council's claims, the budget draft now before us fails to meet the requirements for successful enlargement and the conditions required if the Community's structural policies are to operate satisfactorily. Regarding enlargement, firstly, the Council has done the minimum politically acceptable, i.e. it has ensured that the two new Member States will not in their very first year of membership be net contributors to the Community budget. However, this fact can only be ascertained after the event, and probably after the adoption of a supplementary budget to cover compulsory agricultural guarantee expenditure.

But we also note that the uniform rate of VAT set by the Council is 1.115%, markedly lower than the 1985 rate — intergovernmental advances included — which was 1.226%. Given that some of the 1984 advances will be repaid, the burden on the national budgets will

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be proportionately lower this year than last. The apparent increase in the budget is largely due to the fact that two new Member States are also contributing. In reality, and we deplore it, we have achieved enlargement on the cheap. Furthermore, enlargement is being financed at the expense of the smooth operation of the structural funds, since the Council has earmarked for enlargement all the money intended by the Commission to update appropriations to the funds for the existing ten Member States. We are robbing Peter to pay Paul.

The phenomenon is made worse by the inadequate allowance made for previous commitments, known as the 'burden of the past'. What will the result of this be? After the first six months, it will be impossible to make further commitments under the structural funds unless a supplementary budget is adopted in the meantime. As for the ERDF, the Council recommends that the Commission should administer it flexibly. This constitutes a sizeable increase in the powers of the Commission which must determine which applications and which claims are pressing and which are not; powers which the Commission would doubtless have preferred to do without, for they invite arbitrary decisions. Flexibility, as I said to the Committee on Budgets, is rather like steering through the fog.

This is not a serious approach, nor is it likely to restore the Community's image outside. Last year we had a draft budget covering ten months, which we threw out. This year the Council is offering us an 'existentialist' budget, one which will be put together as 1986 proceeds, a kind of 'elastic' budget with bits tacked on as and when. In a way the Council is inviting us to hold an ongoing 'budget party'.

Parliament, conscious of its political responsibilities, has a duty to draw up a budget which will enable the Community to discharge all its commitments both to its old members and to the two new members it is preparing to welcome in a few weeks' time.

This is the position our Group will uphold in Wednesday's final conciliation meeting with the Council.

Mr Bonde (ARC). — *(DA)* Mr President, next week the Foreign Ministers will be giving Parliament a share in legislative power. In future, debates on legislation will continue until there is a majority in Parliament and a qualified majority in the Council. This is a revolution with respect to the present situation, in which the debates in the Council continue in practice until all the Member States are agreed.

In the new interplay between the Council and Parliament there is no place for national vetoes. We are familiar with that here too in the budgetary field: the right of veto under the Luxembourg Compromise also applies here in theory, but is never used. In the budgetary field all questions are settled through votes in the

Council. Thus the great gain from the Intergovernmental Conference was goodbye to the right of veto in the new fields and hello to the majority principle of a Federal State. It is a logical development because, seven years after the first direct elections, we still have a Parliament which has less control over the Community's budget than over the expenditure for its own operations. I can see the logic and the style in the Spinnelli union treaty. But, as long as Denmark remains in the Community, I must warn against any strengthening of Parliament, since the power gained by Parliament will be taken away from the national parliaments.

We know from the budget debates over many years that it is impossible to share power between the Council and Parliament. Every time Parliament is given an inch, it tries to take a mile. All our budget wrangles are a long series of self-enrichment actions, in which the constant objective is to switch powers from the Council to Parliament. Parliament always exceeds the amount of resources available each year. In private business circles it is called 'kite flying'. Parliament changes the classifications so that money flows from the Council's account to that of Parliament — in private business such transactions can only be achieved through fraud. Parliament legislates through the financing law and forces the Commission to pay out money for which there is not sufficient legal basis — in the private sector, you would have to rob a bank to achieve the same effect!

Perhaps it is too provocative to compare Parliament's conduct with activities beyond the law, but it is precisely that lack of respect for law and legal propriety which runs as a common strand through all our budget debates. In rather more positive terms one could describe Parliament's behaviour as the creation of original law, legally speaking the law of insurrection, revolutionary legislation, where the law of today has no basis in the law of yesterday, where, instead of observing the rules for changing the rules, the revolutionaries say: the end justifies the means. The aim is to unite the Member States of the Community in a Federal State with a common parliament; the means consists in all manner of violations of the rules provided by the Treaty of Rome for the sharing of budgetary powers — it does not consist in observing the law but in taking the law into our own hands. There is no reason to expect that Parliament will use this new inch of legislative power in any other way. After the Foreign Ministers' decision on Tuesday, therefore, we shall be witnesses to new institutional conflicts, which will only end when the Council has capitulated and given Parliament the last word on the framing of legislation.

This year too, the members of the Danish People's Movement against Membership of the European Community refuse to take part in Parliament's constitutional struggle with the Council. In that we are in agreement with all the political parties in the Danish Folketing, for there are hardly any members of the Folketing who want to switch power from the Folket-

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ing to the Strasbourg Parliament via the budget procedure.

Mr Dimitriadis (DR). — (GR) Mr President, it is regrettable to have to recognize that while the Council and the Commission are in agreement on the principles which guided the Parliament in the presentation of the budget during the first reading, when we come to the entry of the amounts which would be the proper expression of these principles, we find ourselves faced with an arrangement which, we can be sure even before it happens, will lead us to a dead-end. And we know that only about half the financial requirements of the structural funds can be satisfied.

The general rapporteur has just explained his own observations and the doubts of Parliament's Committee on Budgets with great clarity. He expressed the fear that problems will arise in the functioning of the structural funds, leading to the Community being forced to behave in an inconsistent manner with regard both to the implementation of its policies, and to its commitments.

The solution involving a supplementary budget depends entirely on the chances of such a budget actually coming into existence, when we know for a fact that certain Member States have not paid their contributions for 1985. And certainly, a budget of this type should be drawn up in time, so that the Community commitments involved can be met. However, once again we appear as a Community with great ambitions, with high aims, but which is incapable of coming up with the resources to realize them. We must not overlook the Commission's responsibility in this area. The Commission is situated at the heart of the problems facing the Community, and appears to be dealing with the Council of Ministers' proposals with an excessive degree of optimism concerning the arrangements proposed.

Nevertheless, our group, Mr President, wishes to express its satisfaction with the cooperation and sympathy of the other institutions involved in the budget as well as the understanding of the President-in-Office of the Council in finding a solution which would ensure the smooth implementation of the 1986 budget without provoking set-backs for Community policies or inconsistencies in commitments entered into.

Mr van der Waal (NI). — (NL) Mr President, with its second reading of the budget the Council has gone some way towards accommodating Parliament. By and large, the funds needed for the enlargement of the Community have been provided, and a not inconsiderable amount has also been set aside for the burdens from the past. We have thus come a great deal closer to solving the two most serious problems that emerged at the first reading. The Council has also said it is willing to make additional resources available in 1986 if an

interim report from the Commission on the use of the structural funds indicates the need. At first sight Parliament therefore has little reason to be dissatisfied with the outcome. But that would be a premature conclusion. Answers have yet to be given to a number of very important questions.

The most serious objection is not that a supplementary budget is already being considered. Although this is not in itself a good thing, it has happened quite frequently and there is at the moment enough uncertainty about past commitments and the management of the structural funds to justify the supplementary budget procedure even at this stage. But we believe, Mr President, that the Council and Parliament differ over more than the question of whether or not there should be a supplementary budget. Above all else, the Council is convinced that after its second reading the budget is adequate but, despite this, wants to allow for the possibility that additional resources will be needed. Parliament, on the other hand, is convinced that, as it now stands, the Council's budget does not provide sufficient resources and that a supplementary budget will therefore be unavoidable. This difference of evaluation cannot be simply reduced to a difference of opinion over the figures in the budget. A difference of that nature would resolve itself when the Commission submitted its report in 1986.

The difference of opinion has deeper roots. It concerns the basic question of how the structural funds are to function. Unless this problem is solved, we cannot see the outcome of the second reading as anything but a budget that is not equipped with sufficient resources but is accompanied by a declaration of intent on a possible supplement, and that is not enough. We must therefore adjust this budget, either by entering enough resources to increase the structural funds or, if the amounts are left unchanged, by converting the Council's declaration of intent into an unequivocal agreement between the Council and Parliament on the functioning of the structural funds. We are confident that this agreement will still be reached.

Mr Christophersen, Vice-President of the Commission. — (DA) Mr President, I should like briefly to explain on behalf of the Commission how we view the situation, now that Parliament is engaged on its second reading of the draft budget.

As you know, the Commission has two tasks to perform in this general process: to begin with, we present a preliminary draft budget and then participate in the budgetary procedure, offering assessments, guidance, information and comments. Secondly, once the budgetary authority has completed its work, the Commission undertakes to implement the budget. In purely formal terms, once a signed budget exists, it is implemented by the Commission.

I would point out that there is one more factor to be taken into account this year, namely that the agree-

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ment on own resources has been ratified by all the Member States. That goes some way to explain why the Commission called upon the President-in-Office of the Council to ensure that the matter would be put to rights. But the fact remains that, once a signed budget exists, the Commission implements it. It is therefore of the utmost importance that the budgetary procedure be concluded in good time — not least this year, in which the Community is about to be enlarged and in which I must point out there will be huge problems if, on 1 January, we are not in a position to implement the budget and hence secure the painless integration of the two new Member States. In that event the problems will be considerably greater than they were at the start of this year. So much for that.

What is our present position? As you may remember, the Commission's preliminary draft budget had three main aims: first to ensure the financing of enlargement, second to ensure that the Community's policies could develop in a positive manner, and third to set about solving the problems arising from the burdens of the past — not in one year; we just wanted to make a start on solving the problem which has arisen over the past few years. It is thus a relatively new problem — that is probably why Mr Curry has not heard of it before — which we must work on in the years to come. But it is important to make a start on it this year.

How have these three aims been dealt with in the deliberations of the budgetary authority? The Council's first reading was plainly unsatisfactory. The Council did not want to take account of enlargement, it did not want any continued development of the existing policies and, in its first reading, it did not recognize the existence of the burdens of the past. It was a manifestly unsatisfactory result, on which the Commission had to take a very critical view. In Parliament's first reading there was a significant improvement — I shall not go into the minutest detail here — but Parliament added about 1800 million ECU to the Council's result for non-compulsory expenditure and, in addition, provided an amount for compulsory expenditure. In the Commission's view this was a very attractive result. I would point out that there are one or two weaknesses, for example, even Parliament's first reading would require a supplementary budget, because commitments were increased quite substantially. But the Commission found that Parliament's first reading accommodated the proposals we had presented to a much greater degree than the Council's first reading. It made provision for the costs of enlargement, for a real improvement in the existing policies and, finally, for a systematic solution to the problem of the burdens of the past.

Then we had the Council's second reading, in which the philosophy of the budgetary procedure is to bring about a gradual narrowing of the gaps. If I am to make an assessment of the Council's second reading, I would say that it is a step in the right direction, parti-

cularly on the question of enlargement, since the Council accepted about 900 million ECU over and above the first reading. If we look at the costs of enlargement now, we can see that they are largely covered by the Council's first reading.

The Council also accepted additional amounts of about 100 million ECU for non-compulsory expenditure, i.e. slightly less than half Parliament's margin, and the Commission can go along with those proposals. We would have liked it to be substantially more, but we shall no doubt return to that.

But the real problem with the Council's second reading, in the Commission's view, arises in the area of what has become known as the 'burdens of the past'. The Council has for the first time recognized the existence of this problem. I think that is important, but the Council has only provided 400 million ECU, and that means a quite considerable shortfall, namely about 900 million ECU. Instead the Council has inserted a declaration and, Mr President, if I may finally say a few words about how we can get beyond this, I would point out that it is all very well to ask us to be flexible in our administration, but there are obvious limits to flexibility. As far as the Social Fund is concerned, it is immensely difficult to be flexible. There are clear rules to be followed here. Mr von der Vring is right, we have a problem of substance here: how can we ensure that the functioning of the Social Fund is not impaired? There is not much scope for flexibility. In the Regional Fund we have more room for manoeuvre but, ladies and gentlemen, you must not overlook the fact that the more flexible you are, the more you defer solving the problems. It is thus no solution to be flexible; it merely means that it may be necessary in some cases to delay the solution of the problems. We all know that. On the subject of the declaration therefore I must say: yes to flexibility, but it has its limits, and we must look at how we define those limits.

We then come to the question of a supplementary budget. I must say frankly that the Council's call on the Commission to prepare a report will result in the need to present a supplementary budget. I may as well say that straight away, as we do not think it will be possible to avoid it. But we recognize that the Council does not trust the estimates we have produced. That is the problem. It also answers Mr Cornelissen's question. A budget is an estimate and, if at the time the budget is finalized it is not possible to rely on the estimates which form the basis for our work, then the budgetary authority has a legal right to say that we must return to the matter at a later stage, when we have more detailed and more convincing estimates, and present a supplementary budget. But the Commission is in no doubt that we shall be faced with problems later on in 1986 and what several speakers have pointed out — including Mr von der Vring, Mr Cornelissen and Mr Christodoulou — is of course correct: it is very important that the budgetary authority as a

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whole — that means both the Council and Parliament — produce a declaration which recognizes both the existence of the problem and the obligation incumbent on the budgetary authority to solve the problem when the time comes. If you are unable to do this, the consequence will be that the structural funds cease to function. We therefore attach great importance to this recognition, and to date the Council has taken an important step in its second reading by recognizing the existence of the problem. We may argue about whether the Council's declaration is sufficiently clear and precise. Indeed the clearer, the more precise and the more binding it is, the happier the Commission will be, for the easier it will be for the Commission in 1986 to administer our affairs in such a way that we can get through the year without major problems.

But I would stress that, seen from the Commission's point of view, appropriations are always better than declarations and I therefore express the hope on behalf of the Commission that Parliament will make a further effort in its second reading to arrive at a budget which is better and clearer than the previous one — also better and clearer than the result of the Council's second reading. At the same time, on behalf of the Commission, of course I urge the two arms of the budgetary authority to seek an understanding on a budget of this kind. It is important for other reasons too: in the interests of enlargement, in the interests of the relationship between the institutions, in the interest of functionality.

Finally I would repeat that the basic prerequisite for implementation is that — when we have completed the work — we have a budget which has been signed by the budgetary authority and which is in addition supported by the ratification of the agreements on an increase in own resources from 1% to 1.4%.

Mr President, I think I have presented the Commission's assessment to date.

IN THE CHAIR: MRS CASSANMAGNAGO
CERRETTI

Vice-President

5. *Welcome*

President. — I have pleasure in welcoming a delegation from the Chamber of Deputies of the Italian Republic, comprising its Committee on Education and the Fine Arts and headed by the President of the Chamber, Mr Casati, who have taken their seats in the official gallery.

I trust that their contacts with the appropriate committee in Parliament will be fruitful and will be fol-

lowed by further contacts with delegations from the parliaments of other Member States. As you know, the President of the European Parliament is very much in favour of such contacts.

(Applause)

6. *General budget for 1986 (continuation)*

Mr Christodoulou (PPE), general rapporteur. — *(GR)* I would like to thank the Vice-President of the Commission, Mr Christophersen, for the very clear way in which he dealt with the problems discussed earlier. If I have understood correctly, 'reading between the lines' as it were, he has, with his characteristic tact, said two things to us. He has told us that the entry of payment appropriations for the structural funds will last until about halfway through the year, and beyond that point some new element will have to be brought in to supplement this amount. Secondly, he has told us that there is not sufficient room for manoeuvre to permit him to do anything meaningful about the regulations. In other words, the problem of the division between appropriations required for the two new Member States and appropriations needed to pay prior commitments remains. These are the two points which we discussed, and I thank the Commissioner for clarifying this.

As regards the question of the announcement of coverage for openings which, it appears from the Commissioner's words, are inevitable, then I repeat once again that if it is of a financial nature, if it is a financial application which does not involve the same laborious process which we are working through now for the budget, then it would be something we would be happy to discuss in order to find a solution to the problem. But declarations of good intent have no place in budgets, ladies and gentlemen. The meaning of the budget is quite clear and is the result of certain positions and assumptions which must be borne in mind by all who wish to deal with the matter seriously. Therefore, we appreciate the great effort made by the President-in-Office of the Council. We appreciate the fact that he added 916m ECU in the first reading. This came as a considerable surprise, and no-one here in Parliament would fail to acknowledge it. But the fact remains that it is only half of what is needed. What will happen to the other half? If we can come up with some solution which ensures that the Community is able to find the other half — and I repeat that this concerns us all, the new members as well as the existing ones — then we would be only too ready to discuss the question, and I am sure that the debate for the day after tomorrow would come to a happy conclusion.

Mr Dankert (S). — *(NL)* Madam President, it has been said this morning, by Mr Curry and others, that

Dankert

the President of the Council helped to bring the problems closer to solution at the second reading. That cannot be denied, but it is always a good thing to look back in this kind of situation. It will then be realized, of course, that the Council's failure at the first reading was what prompted this debate. What the Council did at the second reading it should have done at the first, and then the whole procedure would have been a great deal easier.

I note that, as time passes, the Council's understanding of the nature of the problem seems to grow, which is in itself to be welcomed. I hope that its understanding will have grown a little more by tomorrow, so that Commissioner Christophersen does not have to stop making transfers to the Social and Regional Funds in the middle of next year.

We have thus come a long way from the situation where the Dutch State Secretary for Foreign Affairs, Mr Van Eekelen, thought — at the Council's first reading — that the problem could be solved by paying for the enlargement and past commitments from the European Parliament's margin.

I agree, then, that progress has been made, but I have my doubts about it being enough to justify Mrs Scrivener's conclusion that the 900m the Council has now added forms an adequate basis for a compromise between our position and the Council's. I doubt this because of the specific problems involved here. We are not engaged in a normal budget debate, with Parliament always wanting rather more than the Council, with both wanting more and a compromise having to be found. We are engaged in a budget debate in special circumstances, a budget debate with a special problem. This time Parliament is not asking for structural growth in the Social and Regional Funds. No, Parliament is asking nothing more than that these Funds be rescued, that they be given a chance to continue operating. In fact we have never asked for so little — I admit it costs a great deal of money to reach this stage. That is the problem we are facing at the moment.

Mr President, the circumstances are not normal either. The Commissioner pointed out that, if all goes well, we shall have the Member States' 1.4% VAT contributions on 1 January. But, even if all goes well, the question that immediately arises is: how long will this 1.4% be enough? Mr Curry said we will probably have to contend with about six supplementary budgets next year. Substantial additional amounts will undoubtedly be needed for agriculture. The arrangement with the United Kingdom will certainly call for substantial additional amounts, and there is also the effect Spain and Portugal will have on the overall agricultural problem to be considered. No one can estimate precisely what that will cost. There is uncertainty about the revenue side of the budget, as regards both VAT and customs duties. In short, there is no knowing whether the 1.4% will be enough after 1986. In fact,

there is no knowing whether it will be enough in 1986. It is therefore far more important to tackle past commitments now than to do so gradually in the years to come if the budget allows. That is the major problem we face at the moment.

Madam President, all kinds of ideas have been put forward here — and the Council has joined in with a far from tough statement — for alleviating the problem of the commitments that have built up over the years. If we go on like this, the problem of this backlog will grow worse each year and the margin between own resources and expenditure left in the budget to tackle this problem will grow smaller each year, if not disappear altogether. In other words, unless we do something basic, we shall be creating a serious problem for the future. We shall then have intergovernmental financing again, because the conditions attached to an increase in the VAT ceiling reveal that the whole problem of the British contribution would again arise, and after the accession of Spain and Portugal it will be far more difficult to solve than was already the case with the unfortunate solution proposed at Fontainebleau. That is the crux of the problem, and it is unwise to confine a budget debate in this context, as the Council is in fact doing, to the coming six months or, as the Commission is doing, to the coming twelve months. I believe we must look much further ahead and see what courses of action are open to us and what implications they would have.

Mr President, unless we solve the problem of past commitments — which is unlikely — we shall face another development, to which the Luxembourg texts in fact refer. This is the question of cohesion in the various areas, which have already been mentioned: in addition to the real decline in Social and Regional Fund resources that is already under discussion for the Ten, we shall see the beginning of a process that will change the nature of these Funds and result in their becoming Funds for the poor. I find it really disgraceful that we live in a Community where it is already being suggested that the rich Member States should exercise restraint in calling on funds to which they are entitled under the regulations, so that the poor Member States have the opportunity to come to the table like beggars. I find this an unacceptable situation in a Community where each country's membership should have the same value and the Funds should have the same significance for all. That is the kind of situation we are getting into. When I then see the limitations in the Luxembourg texts as regards the budgetary development of cohesion, I get very worried, and I even have the feeling that some Member States are determined to see these Funds cease operation so that they can bring about a change in the regulations along the lines I have described. I do not think this Parliament, which has always given very high priority to these Funds and to their North-South character, can simply go along with this. I also think the Community would be unwise to go down this road, because it would seriously impede the completion of the internal

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market, which is one of the major objectives of the richer Member States.

Madam President, I do not believe Parliament can agree to a budget for six months, which is what is being proposed at the moment. I realize that we of the Committee on Budgets cannot stipulate in the next few days what will happen in the future: other institutions must be involved. But I do feel we must try to obtain absolute guarantees, bankable guarantees, as Mr Curry called them, that the Funds will stay in operation.

Mr Bardong (PPE). — *(DE)* Madam President, ladies and gentlemen, budgetary disputes in the European Parliament have never been started by Parliament, but they have often been necessary as a political lever. Yet in 1986 every effort is being made to avoid having one, and that is as it should be. For we are reluctant to welcome the new members of our European family of nations into a divided household.

We are all agreed about the need for compromise, but the willingness to reach a compromise must be present on both sides of the budgetary authority. Both sides have declared such a willingness. Yet we would do well to ask whether this willingness to compromise has been declared on the basis of the same assumptions, whether it has been made with the same readiness to make concessions, not to say sacrifices, on both sides, or whether the underlying political objectives are in fact compatible.

For one thing, the Council has not held a proper first reading. I believe there is general agreement on that in this House. It therefore has an inadequate and unequal basis for negotiation when it comes to the effort to reach a compromise. The way opinions are formed in the Council continues to this day to be distorted by the sins of omission committed at the first reading. That has been confirmed by everyone. It is also how the Vice-President, Mr Christophersen, sees the situation. Despite this there has been a considerable accommodation by the Council at the the second reading. That is something we do recognize, but in so far as it has to do with half-measures, it is not a genuine compromise, but only an attempt at appeasement. And attempts at appeasement are not the same thing as a true compromise.

The willingness to compromise on our part has also met with systematic obstruction from representatives of the Council. There have for instance been attempts to create a false impression with public opinion. For a representative of a government to call attention to an increase of 20% in the budget of the Community and to compare this to a mere 3% increase in national budgets, or in his own national budget, is a piece of deliberate deception. For clearly he has glossed over the fact that this budget has to include increases to cover the extra costs of enlargement, and he has sim-

ply no right to compare these with the greater or lesser changes made in national budgets to adjust to economic fluctuations. Not to mention the fact that this fails totally to acknowledge that the budget of the European Communities must also be allowed to grow to keep up with expanding objectives.

We therefore have to consider what the true motives of the representatives of the Council are before we can travel with them on the same road to a compromise. We also have to ask the same question in relation to a supplementary budget. For what is this but a piece of long-term prevarication? There is no love lost between Parliament and supplementary budgets. Of course we appreciate that there are times when they are unavoidable, when for example agricultural costs or price trends do not correspond to advance estimates. But when they are used in situations where clear requirements exist, the attempt to re-channel expenditure conflicts with Article 199 which requires all expenditure to be shown in the budget. I must therefore ask the President-in-Office of the Council: Can he in fact guarantee us that the supplementary budget will be approved in good time and for a sufficient amount? Mr von der Vring has already referred to the problems that will be created for the Social Fund if this is not done in good time, and that raises the question of how many supplementary budgets would then have to be approved? Can he give us an assurance that there will be a multiannual plan with clear commitments for removing the burden of accumulated debts, or, is there more likely to be an enormous bow-wave that will keep on rising only to climax at precisely the point when we have used up our allocation of own-resources at the higher level? I do not agree with Mr Dankert that we shall reach that point as early as this year. But if we are going to have a multiannual plan, then the question of the next increase in own resources must also be settled in that connection. But can the President-in-Office do so at this stage?

Be that as it may we are pinning our hopes on intensive efforts in that direction, for that alone will make effective conciliation possible on Wednesday. We should otherwise be obliged to take a very critical — not to say suspicious — view of the assurances that have been given hitherto. Parliament's margin of manoeuvre must also be taken into account in calculating the costs. Parliament does so, but for the same amount as the Council. It cannot forego every contribution to the new policies, for if it did so it would simply be giving up its long-term influence on the budget completely.

We hope for a compromise — but it must be an honourable compromise. We want a compromise, but not a compromise at any price. The budget rapporteur has shown himself to be very flexible, but he has also had to point out that there are limits to everything. And the President-in-Office can also be regarded by us as an honest broker. That is what he wants to be. We can only wish him every success in that.

Sir James Scott-Hopkins (ED). — Madam President, I must start off by thanking our rapporteur for steering us as far as he has with cleverness and ability. We have got so far without having completely ruptured our debates. I must also thank the President-in-Office of the Council for his courage and, indeed, for his ability in bringing his colleagues along the way he has for the second reading. I never thought he would manage to do it. I take back some of the harsh things I said during our debate at the first reading. However, having said that, I have given enough bouquets to the Council, because we have still quite a long way to go if we are going to arrive at the honourable compromise that everybody here seems to be talking about.

The budget we are now dealing with and the one we had last year — in the 11 or 12 years' experience I have had in this place — are quite extraordinary. Both last year and this year we were told by the Council: 'Do not worry boys, we are going to have a supplementary budget.' We have got to the stage now this year where it has almost become a guarantee that we shall have a supplementary budget, although we have not had the figures yet how much it is going to be. Yet it is not beyond the recollection of people to remember that in the days gone by the very idea of a supplementary budget was something to be abhorred and to be avoided at all cost. Now we have moved into completely the opposite situation.

I go along with what Mr von der Vring was saying earlier on. Let us have the supplementary budget, but let us have a guarantee, before we go into these negotiations tomorrow with the Council, that we will definitely have it and that we will definitely have it in time. People are talking about the supplementary budget coming forward in July. At the same time it seems to have been accepted that if that is so and if it is implemented by October, it will be too late for the structural funds to be able to continue to operate during 1986 in an efficient way. So the supplementary budget has got to come forward much earlier. It has got to be presented, I would have said, by the end of May at the latest so that we can get the thing on the statute book and passed by July at the very latest.

I hope that the President-in-Office will be able to give a guarantee concerning that. If that is done, then I believe that the road to a compromise is possible. It is really rather sad that we have got to do this, that we have got to have this kind of compromise meeting now and that the Council failed so dismally at the first reading. I find it very difficult now to accept that yet again we have got to cut what Commissioner Christophersen regarded as necessary to deal with the weight of the past and costs of enlargement.

What I find particularly difficult to accept is the fact that the Council does not seem to accept the figures being put forward by the Commission. If we are going to start by not agreeing with each other on the figures, we do not even know what basis we are starting from.

That in turn means that the actual chances of getting an agreement on the most crucial matters are really rather slim. I hope that in the very near future we will have agreement between the Council and the Commission on the base figures for the weight of the past and the cost of enlargement. Unless we have an agreement on that, it is very difficult to see that we can move towards any compromise which would be acceptable to all of us.

I personally, like my group colleagues, want to see an agreement reached in the negotiations with the Council for an agreed budget on Thursday. I believe this can be done, but it does need good faith from both sides, Mr President-in-Office. It does mean giving by both sides. I am personally prepared to scale down the demands that Parliament has made and is making at the moment to a figure which would be acceptable. On the other side, you have got to move away from the rigid position which I feel that some of your colleagues have taken. You have got to persuade them to come up a little in their level of commitment for 1986.

I believe we can do this, and I rely on your good will, your ability and your courage to manage to make the compromise possible so that we can agree, not only tomorrow but also on Thursday, on a budget for 1986. It is crucial for us in this House and indeed for our partners — Spain and Portugal — who are coming into this Community next year.

Mr Alavanos (COM). — (GR) Madam President, in my opinion the second reading of budget has confirmed what we said during the first reading. Although this is a budget with increased own resources, in other words, VAT at 1.4%; although 1986 is the first year of application of the Mediterranean programmes; and although many voices — including that of the Greek government — are raised in favour of an effective mechanism for the redistribution of wealth between North and South, what we are actually seeing prevail, through the financial discipline of the 1986 budget, is the introduction of the policy of austerity aimed at farmers and other workers, and a crippling reduction in appropriations for the structural funds.

I do not think that the alterations made by the Council following the amendments tabled by Parliament were substantial, and they do not change anything. It is typical that of commitment expenditure, spending on the Agricultural Fund — Guarantee Section was increased by approximately 3m ECU — a sum which is quite unacceptable to us. As also was the fact that the budget for Greece provides for an increase in the corresponding appropriations in drachmas of 6.7%, which is a percentage falling well below inflation and the increase in production costs, signalling very unfavourable prices for Greek farmers. The Council of Ministers' tight-fistedness really is something to be wondered at when at the same time it approves 37.5m ECU in economic aid for the pro-NATO regime in

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Turkey, after rejecting, only a few days previously, a unanimous proposal from the European Parliament to freeze such aid, a proposal which was supported by the amendment from the representatives of the Greek and French Communist Parties.

In my opinion, the same is true of the commitment expenditure sector. The Regional and Social Funds remain static at the 1985 level, for the Community of Ten. At the same time, they are burdened with expenditure for the cost of enlargement and accumulated prior commitments. What the Commissioner told us a little while ago, that appropriations for these funds may run out by the middle of the year, is significant. And we can only speculate as to the fate of the Mediterranean programmes when 60% of the appropriations come from the increase in resources of the structural funds.

It is also typical that the budget for Greece overestimates the IMPs: in the first year of operation of the IMPs in Greece, it is anticipated that net Greece gains in drachmas will fall by about 2.7% as against 1985. This corresponds to a reduction in ECU of about 30%.

As can be seen by all, everything concerning the so-called 'coherence' of the Luxembourg Summit was intended principally for the benefit of certain Prime Ministers. It is alleged that this 'coherence' rests on an increase in the structural funds. Yet, a few days later, the Council once again cut appropriations for the structural funds down to quite unacceptable levels.

The Committee on Budgets believes the increase in appropriations for the cost of enlargement and the weight of the past to be the key. Here, I only wish to point out that Greece is a net contributor to these appropriations, in other words it will be putting in many times more than it will be taking out, since it is estimated that of the 12 000m ECU from the weight of the past, only 10m apply to Greece.

We see a series of damaging developments taking place, keeping pace with a series of other more general disadvantages for our country, which entail no financial cost for the major countries which are in favour of them.

The 'internal market', which it is hoped will be achieved by 1992, is just such a development.

In conclusion, we see that for a country like Greece, the economic and political commitments are stepped up, both quantitatively and qualitatively, while the financial return is reduced.

Faced with these developments, it is difficult for the Greek government to continue with any additional role, as its hands are tied by the restrictive terms of the Community loan. The country has come under the international economic scrutiny of the EEC, and has

delivered itself, defenceless and with no bargaining counters, over to the political tutelage of the EEC.

Mr Roelants du Vivier (ARC). — (FR) Even though he is absent, which I find regrettable, my intervention is addressed primarily to the Council President.

Any of the political groups can say it, but I wish to stress in turn on behalf of the Green-Alternative Link that this Parliament wants to see agreement reached on the budget. But, as the general rapporteur reminded us, it has to be a meaningful agreement. As it is, we are extremely fearful about the consequences of a budget which the Council has cut in those parts relative to the cost of enlargement and, mainly, to the operation, the smooth operation, of the structural funds.

The Council President warns us to consider the risk of having to get twelve ministers together again over the budget. I think we are fully aware of it. We view this eventuality quite calmly, because this is not a whim on the part of Parliament. On the costs of enlargement, the need to ensure the survival and proper operation of the structural funds, the Commission, the Community's executive body, and Parliament, are in agreement. And when we are offered a supplementary budget as a possible solution, I have to say I see a risk of skulduggery here. On the one hand, supplementary budgets are a bad habit which should certainly not be encouraged. On the other hand this practice reduces our room for manoeuvre. Lastly and above all, there is no guarantee as to how this supplementary budget will be financed. Our mistrust here is strengthened by the fact that several Member States have not yet discharged their obligations under the 1985 supplementary budget. This is why I say that a bird in the hand is worth two in the bush. Also, past experience of conciliation with the Council makes us suspicious, as Mrs Scrivener pointed out. The President of the Council must also take account of the fact that here too, there are previous commitments outstanding.

The budget as proposed by the Council is not acceptable. And Parliament has, in our view, been over-eager to reach a compromise with the Council. Under the proposal made by the Committee on Budgets the Regional and Social Funds — to take just these two structural funds — will not receive the boost so much desired at the time of Spain and Portugal's entry to the Community. I say this, stressing that an increase in funds must be accompanied by better employment of funds. Do not expect us to sacrifice ourselves upon the altar of good understanding between the two arms of the budgetary authority. Even in its amended form the budget contains many commitments which seem to us unacceptable.

Productivity in agriculture has triumphed more than ever. I share the view of the Agriculture Committee's rapporteur that, financially speaking, the Council's

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approach will lead to half-policies, because as Mr Chambeiron said just now the budget should be tailored to the requirements of the agricultural sector. And I would add for my part that it should be tailored to the real requirements of the agricultural sector and not vice versa.

Nuclear power reigns virtually supreme in the Community's energy policy. This, as you know, we cannot accept. The budget's provisions for the environment, as amended by the majority of this House and the Committee on Budgets, are absolutely unacceptable. The period of the European elections is over, my friends, when all the main parties in this House took notice of the main public issues and gave top priority to pollution and nuisance control. Where have we got to? We haven't heard a single word of protest on the subject today from the rapporteur for the Committee on the Environment. Practically all the amendments of the Committee on the Environment have been rejected. We are not prepared to swallow this bitter pill, we shall lose no opportunity of saying it again and again.

But there are some amendments which we shall support energetically. I would stress our support for the various amendments tabled by the Committee on Development. In particular the 10 million ECU earmarked under Article 929 for measures to replace food aid. It is scandalous that the Council should have deleted this amendment which, happily, comes up to be voted on by us again this week. Food aid, since this is what is at issue, must be worthy of the name outside so-called disaster situations. It must aim to make the peoples of the Third World able to feed themselves at last. As you know, except in emergencies, the systematic giving of structural food aid to the Third World leads to enormous problems. Take for example the competition created for native farmers on urban markets, and the introduction of new consumption patterns based on products which cannot be cultivated locally. This creates a steadily increasing state of dependency as regards food and, of course, the development of a hand-out mentality among the local populations together with opportunities for illicit appropriation and corruption among urban-based middle-men.

The Council must understand that we have to break this vicious circle of offloading our structural surpluses on the South, not forgetting that, as the Court of Auditors pointed out, food aid takes 419 days to reach the village concerned. It must understand that we should diversify the wealth of measures we can apply. Three-way purchases within the country concerned should be possible.

Parliament can point the way towards another approach to development policy, long extolled by the non-governmental organizations operating in the development field, particularly at a time when in the Sahel the 1985 harvest is 10% higher than it was in

1981, the last year when there was a normal harvest in that region.

Mr President, ladies and gentlemen, we have a common agricultural policy in Europe. Instead of perpetually upsetting the agricultural economies of the South could we not, through our development policy, enable true regional farm policies to be created, particularly in Africa? It is one of the essential points we wished to raise during this budget discussion.

Mr Fich (S). — (DA) Madam President, in two days' time, on Thursday evening, 12 December, we shall be in one of two possible situations: either there will be a budget which is agreed between the Council of Ministers and Parliament or there will be no budget — and no prospect of one.

Looking at the first possibility, an agreed budget, I would point out that this is what I have endeavoured to achieve from the start. Unfortunately I was obliged to note during the first reading in Parliament that only seven of us were intent on having a budget which was negotiated between the Council of Ministers and Parliament. Today I am happy to note that there are now many more of us and that, with every hour that passes, more and more want a budget negotiated between the Council of Ministers and Parliament. Perhaps we are not quite a majority, perhaps the majority still want a fight; on the other hand we have two days before the vote, and I am confident that, when we come to vote in two days' time, there will be a majority in favour of an agreement with the Council of Ministers.

I think that there are good grounds for such an agreement because two fundamental problems have arisen: on the one hand the question of enlargement to include Spain and Portugal, on the other hand the question of what is referred to as the burdens of the past — there are those of us who call them the sins of the past. What has happened with regard to these two problems? Broadly speaking, the question of enlargement has been resolved — one or two details still remain to be settled, of course, but on the whole the matter has been resolved. Personally I think it was the really crucial question and the one on which we needed to concentrate in the first instance. Now we can say with satisfaction that the matter has been settled. The second problem, that of the burdens of the past, is of course a real problem — I realize that — but I still maintain, as I have already done in past debates, that it is not primarily Parliament's problem. It is in the first instance a problem for the Council of Ministers. It is the Council which in past years allowed too little in the way of appropriations for payment, and that is why the problem has arisen. Had the Council accepted appropriations for payment commensurate with the appropriations for commitment adopted, this problem would not have arisen. However, the problem has been addressed, and I think we should also take note of it. That should also help to bring about an agreement.

Fich

It goes without saying at the present time that all of us here know where the possible compromise lies. We know what money is needed, we know what appropriations for commitment are required, we know what is needed in the form of various guarantees. I think everyone is more or less aware of where the compromise is to be sought. Nevertheless, it is part of the procedure that we should stage a dramatic performance lasting a few days until we arrive at the end result, and we all know very well what that will be. All that concerns me is that this dramatic performance we shall be staging over the next two days should not end in a tragedy. It will indeed be a tragedy if we suddenly find ourselves without a budget on Thursday. That is a possibility — I hope it will not happen, but it cannot be ruled out. Not because we have rejected the budget but because the Council and Parliament have simply not been able to reach agreement on one or two minor details. What may be the outcome? Parliament may try to enact a budget unilaterally. Clearly that is a possibility, but I think the reaction on the part of some governments at least is quite certain: they will not pay, and we shall go over to the system of twelfths straight away. The system of twelfths was bad enough in past years, but it will be particularly bad this time: it will not be twelfths of a normal budget but of a budget for 10 countries which suddenly has to be applied to 12. I do not think we can accept this — not even for ourselves, but especially not for Spain and Portugal, for which this will mean quite unreasonable treatment. If it comes to that, I shall have no hesitation in saying that Parliament is to blame. The difference between Parliament and the Council after the first reading was 1.6 billion ECU. The Council has moved half way towards us, but Parliament has not yet budged. I hope it will do so, and I can assure you that, should anyone wish Parliament to stick to its position on the first reading, there will not be 218 votes in favour of such a hard line.

We must now choose between a negotiated budget and no budget at all. I have already said that I want a negotiated budget. I do not think that it is necessary to have a negotiated budget, and hence a budgetary solution, for this year alone. I think that overall the Community needs budgetary peace for a number of years ahead. We now have the increase to 1.4%, and the British question has been resolved; Parliament should therefore refrain from fomenting budgetary strife over the next few years and instead concentrate on a number of other tasks which are incumbent on it. Not least among these is its budgetary control function.

Mr Debatisse (PPE). — (FR) Madam President, ladies and gentlemen. Today's debate highlights not only the complexity of the Community's budget position and the unease it engenders for 1986; it also throws up a number of questions regarding the future of the common policies which are the starting point of the process of building Europe.

More specifically I should like to expand on three ideas. The first is that the compromise proposed by the Council seriously threatens the structural funds for agriculture; the second is that it jeopardizes right from the start the smooth progress of enlargement; and the third is that it mortgages the reforms which have already been agreed on, that is to say the future.

Regarding my first idea, the compromise proposed by the Council in my view compromises the agricultural structural funds. The Council's restoration of just some of the appropriations demanded by Parliament to discharge earlier commitments, the consequent lengthening of the periods for disbursement of the funds, are prompted less by budgetary caution than by carelessness over commitments undertaken. This is particularly the case with the Council's refusal to enter the 18 million ECU appropriations for payment needed by the EAGGF guidance section. Thus, not only is it hard to see how new projects could be launched, it is even harder to see how all the debts falling due in the course of next year could be honoured.

Now to my second idea, that the Council's compromise jeopardizes the success of enlargement. The fact that the budgetary consequences of enlargement are borne solely by expenditure under the Social Fund and the Regional Fund, that spending under the EAGGF guidance section is not entered and even more seriously that the reserve for agricultural guarantee expenditure is not entered, cannot but give rise to deep anxiety as to how enlargement will progress. The new countries will feel frustration at the failure to respect commitments undertaken; there will be general incomprehension among farmers in the problem regions or mountainous areas of the Community of Ten at this departure from the objectives of the Regional and Social Funds; there will be a worsening of the social climate right from the very first year of enlargement and there are likely to be long wranglings when the inevitable supplementary budget is drawn up. One wonders whether certain governments are not deliberately making the job of the Community harder for this Year One of the Twelve. Whatever the case, it is Parliament's duty to ensure that the commitments given by all the Community institutions and the Member States are honoured.

My third idea. The most serious thing is of course that today's follies may thwart tomorrow's achievements. If our outstanding commitments are not paid off, if neither the agricultural guarantee nor guidance funds are correctly financed any more, if the initiation of new measures is systematically challenged and if, above all, the start of enlargement merely provides a reason for new budget wrangles, how can the reforms agreed on in Luxembourg, which this House will be debating tomorrow, those affecting the common agricultural policy which we shall be debating in January, how can those reforms be implemented? And this at a

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time when the need for them is more pressing than ever.

Whilst we are placing the very existence of the guidance and guarantee funds in jeopardy, the USA is busy enacting a four-year 60 billion dollar farm bill, boosting its exports both by using a large part of these funds for the purpose and by speculating on a real and constant fall in the dollar.

In the face of this situation bold reform of the CAP is more imperative than ever. And at precisely this time confusion over the budget undermines the policies which are already being pursued, further complicating the process.

In amending the budget draft, in helping to reach a serious and solid agreement, Parliament is thus thinking not only of today and the immediate future; it is taking steps to assure the longer-term future of the policies on which Europe is being built and must continue to be built.

Mrs Oppenheim (ED). — (DA) Madam President, looking at developments which have taken place on the 1986 budget from the time Parliament began its deliberations until today, I have to note that so much has happened that I am actually glad there were only seven members belonging to that group mentioned by Mr Fich which was so vehemently in favour of a so-called soft line. I still think that the criticism which Parliament raised during its first reading was not only justified but has also led to some concrete results, and that must be a source of satisfaction to us.

On the other hand I also feel that the time has now come for Parliament to live up to its responsibility, to show realism and say that we have obtained concessions on some vital points and that, while we cannot get everything we wanted, we have nevertheless got what was possible. The most important points on which Parliament has secured concessions — they were mentioned earlier — are essentially the question of enlargement and the question of the inadequacy of the resources set aside by the Council to cover prior commitments. These have been increased, certainly not to an extent which we consider realistic; but at least sufficient will and accommodation have been shown on this point for us to say that a real concession has been made.

We know already at this stage that this means that Parliament will have to debate supplementary budgets. It is a deplorable situation, but it cannot really be otherwise. In that connection — as I have already pointed out in the course of these discussions — we seek a long-range budgetary strategy. We must know over a longer period what we have to adjust to. We must also go further in allocating priorities for the necessary expenditure and not merely say: now we need such and such an amount of funds because we have a lot of things to accomplish.

There are still gaps between the Commission, Parliament and the Council, but the discussions are not yet finished. We know other things have to happen over the next few days, and I hope and expect that we shall arrive at a degree of agreement such that we shall be able to adopt a budget on Thursday. For, in order to arrive at a budget which will be satisfactory, I think it very important, with two new Member States now about to join us, for Parliament also to show that we can start without getting into budgetary crises, since it would be invidious for Spain and Portugal to have to say at the start: now that we have joined the Community, here they are launching into budgetary crises, with the possibility of cases coming before the Court of Justice etc. I look forward to a budget on Thursday.

Mrs Boserup (COM). — (DA) Madam President, another one of these tiresome Danes, but nobody can accuse us of not being hard working in this Assembly. This is a strange debate. All we have been told is that the Council and Parliament want a compromise, but none of the parties to the discussion can say where the compromise is to be sought, hence all these dramatics.

Budgetary problems are not solved by declarations but by money. If resources are lacking in important areas, there is after all the possibility of transferring money from particular areas to others which are considered to be important. I proposed this method during the first reading, but too few were in favour of applying it. So the result will now be a budget born of a consultation in which the parties endeavour to wear each other down until the break of day, and the outcome of that is quite unpredictable. Parliament may give the impression that it believes the problems can be solved by one or more supplementary budgets some time towards the summer. I have never been a great believer in cleaning the house by sweeping dirt under the carpet, but that is precisely what we are doing now. Last year the budget was rejected, ostensibly because it only covered 10 of the 12 months in the year. But this time we seem prepared to accept a compromise in which important areas are perhaps covered for six months. I find that strange.

My voters do not want to vest more powers in this Assembly, and they are wise. The voters are not even being told what the contribution for membership will be next year. It is not good enough. The Socialist People's Party will be voting for the proposal put forward by our British colleagues for wholesale rejection.

Mr Barrett (RDE). — Madame President, only last week our government leaders were promising a fresh impetus in the pursuit of strengthening the Community's social and economic cohesion. The message from Luxembourg was that particular emphasis would be placed on efforts aimed at reducing disparities between the various regions. And yet here we are, barely one week later, considering a budget which

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promises nothing but doom and gloom for the disadvantaged regions.

The Budget Council, having rejected our demands for significant increases in real terms in ERDF expenditure in the existing Member States, has also rejected our demands for sufficient resources to mount an effective regional policy in Spain and Portugal. There can be no justification for such a blatant contradiction between the European Council's guidelines and the Budget Council's decision, and there can be no justification for any regression in the funding of the Community's structural policies.

Parliament should condemn in the strongest possible terms the Council's lack of commitment to the development and evolution of an effective regional policy. It is only through the creation of an European Regional Development Fund with real economic muscle that the Community's regional policy will move on from being little more than a token gesture towards the millions of people living in these underdeveloped regions to being an effective and genuine response to the immense economic problems with which these regions are faced. To date, unfortunately, regional disparities are increasing, not decreasing, within the Community. Without the injection of substantial amounts of money into the ERDF, the situation will continue to worsen.

I would like to highlight one aspect which has particular and vital significance for my country. Under the old Regional Development Fund regulation Ireland's share of the Regional Fund was a minimum of 5.64% and a maximum of 6.83% which in real terms meant 123 - 149 million ECU. We are all aware that the new Commission proposals to revise the Regional Fund would give Ireland a minimum of 3.82% and a maximum of 4.61%. However, it was intended from the outset that the overall finances available would be increased substantially so that in real terms no Member State would lose out.

From an Irish point of view this is nonsense. Firstly, had the Commission's original draft preliminary budget figures been accepted by the Council, Ireland stood to lose from 8 to 11 million ECU per year in real terms. If the Council's second draft were adopted the consequences for Ireland would be disastrous. Much-needed allocations in my country would be reduced by approximately 35% of current figures.

I vigorously protest at the Council's irresponsible attitude, because it did not have the political guts to pay for the political decisions it has taken. In effect it is demanding that small underdeveloped nations like Ireland that will not be benefiting from the integrated Mediterranean programmes should pay for the cost of enlargement. I say, Madam President: shame on the Council for its cowardliness!

(The sitting was suspended at 1 p.m. and resumed at 3 p.m.)

7. Agenda

IN THE CHAIR: MR PLASKOVITIS

Vice-President

President. — I have an announcement to make to the Assembly. Yesterday, on a proposal from the President, Parliament decided to amend its agenda so as to enable the enlarged Bureau to consider the conditions in which the report by the Committee of Inquiry into the Rise of Fascism and Racism in Europe might be debated. After extensive discussion this morning, and with the agreement of all the political group chairmen, the enlarged Bureau decided upon the procedure which was proposed both by the Committee of Inquiry's chairman and by the rapporteurs, Mr Ford and Mr Evrigenis.

A general debate would be held as scheduled in the agenda: political groups would of course be entitled to table oral questions with debate for the January part-session. I would inform the Assembly that the Socialist Group pursuant to Rule 42(1) of the Rules of Procedure, has already tabled oral questions to the Commission.

8. Membership of Parliament

President. — Mr Tortora has informed me in writing of his resignation as a Member. Pursuant to Article 12 of the Act concerning the election of the representatives of the Assembly, Parliament notes this vacancy and will notify the Member State concerned.

Mr Tortora (NI). — *(IT)* Mr President, a soothsayer could tell us what the auspices should be: today is 10 December, the day which the United Nations has laid down shall be devoted to celebrating human rights, the rights of the individual, and it was on 10 December last year that, with foreboding almost, the European Parliament gave an apparently spontaneous answer to the courts in my country, which asked permission to commence proceedings against me. 'Yes', — it said — 'but you will never have permission to arrest him, before the final verdict'.

Today, 10 December, then, I am choosing to go to prison — and if only you knew, ladies and gentlemen, what these Italian prisons are like — whereas I could have continued to enjoy the honour of being with you and working with you for years, yet, whilst waiting for justice to be done in regard to a charge that the entire Italian people knows is a monstrous one. But, guilty only of being innocent — which is a typical, necessary

Tortora

condition, as we all know, for every sacrificial victim, every scapegoat, when, with barbarous rites, a community seeks to transfer and strike its own internal demons, giving the body and face of another to its own evil — guilty, as I was saying, only of being absolutely innocent, I am taking upon myself the responsibility of disobeying, my very dear friends, that verdict which, as I well know, I, too, should have abided by, in proper, reasonable deference to the wisdom and will of Parliament.

But I am disobeying out of allegiance. We are the Parliament that, with a historical decision, defended the right of those perishing from hunger to live a life under the rule of law, with its certainty and its fullness, both institutional and civil — as, of course, we will show again tomorrow with our vote on the Luxembourg Summit. Out of allegiance to my ideals, to those of the Radical Party of which I have the honour to be chairman, to your and our ideals, I have decided not indeed to offer myself as a sacrifice, living murkily together with my persecutors, the very same that you solemnly denounced here yesterday, but as the embodiment of the most urgent, fullest, strictest need to make, to say, to create justice against all violence, against the violence of lies and injustice. I want to be free, when the courts in my country are finally freed, sovereign, truly independent, and subject only to the law.

It is a decision to fight and to hope, that I have taken in absolute, intimate freedom and with conviction, becoming in this way part of the same story as my companions and my party.

As I bid you 'Goodbye', Mr President, I am anxious however also to bear witness to justice. Here and now I want to say to you, to assure you, that the judges in my country, the great majority of them, are judges of justice and not judges of power and violence. The judges in my country, I know, are the first to be offended and oppressed by those who all too often pretend to speak in their name but harm their image and their lives every day — lives made difficult by the political class in power. For them, too, and with them, we must tread this hard and narrow path, and to them goes my declaration and our declaration, too, of respect and trust.

The President of the Italian Republic, Francesco Cossiga, has already given us an example a few days ago. Speaking in the first person he made his position clear, denouncing the abuse of constitutional powers, functions and roles which are used as a pretence. And what was the answer given to the President of the Republic, Italy's chief judge? They answered him like a mere man — indeed, a mere showman — attempting with a bad *coup de théâtre*, which lasted for a morning, to invalidate his dignity and legitimacy in the eyes of the country. That was the answer of those who, in recent years, have increasingly thought it their duty to make *judicare*, which is a duty, synonymous with the organ-

ization of judicial campaigns, the acritical exaltation of '*pentitismo*', and the dictation of out-and-out strategic resolutions such as we expect from combatant organizations or powerful or bullying corporations.

Mr President, this is therefore why I am resigning with effect from Friday, at the end of this parliamentary session, as have moreover in the past — albeit under different conditions — the radical colleagues who are beside me in this Assembly at this moment — Mr Ciccio Messere, Mr Pannella, my comrade and voice of my conscience, Olivier Dupuy, in prison at Brussels, Adele Faccio, Emma Bonino, Gianfranco Spadaccia, and many others.

This is my choice. Never doubt that in prison I shall be, and shall remain, a free person — freer certainly than those who have decided to send me there!

Mr President, my very dear colleagues, as I take my leave of you, I give two undertakings: the first is that when justice has been done in Italy, if the Italian people will allow me — and I do not doubt it — I shall return amongst you. The second is that, wherever I am, I will be worthy of this Parliament, of each and every one of you, and of the trust and friendship that you have shown me, the trust and friendship of my electors, and the trust and friendship of my companions in my party and among my people, who are both Italians and Europeans.

(*Applause*)

Mr Pannella (NI). — (*FR*) Mr President, I believe both the Rules of Procedure and the practice of this House require you to ask if there are any objections to our vote on the matter of resignations, of the kind we expressed when our honourable friend Mr Anglade and many others resigned during the present term.

I would thus ask you, Mr President, to ask each of us and the House as a whole if there are any objections or if anyone wishes to speak on the vote we have to take.

I believe there are several of us who wish to make a number of comments. I have made mine: I thank Mr Tortora for the decision he has taken. I really believe the path he has chosen is the just and honourable one. I am grateful to him over and above the deep friendship I feel for him, for by his action he honours each one of us as well as Parliament as a whole.

President. — Mr Pannella, I note your remarks but I must adhere to Rule 7(3) of the Rules of Procedure. Under this rule, 'A Member's resignation shall be notified by him in writing to the President, who shall inform Parliament, which shall establish that there is a vacancy. The establishment of a vacancy shall follow automatically on the official notification of resigna-

President

tion. There shall be no vote in Parliament on the subject'. I know of no other provisions, Mr Pannella. Once the vacancy is established under the Rules, the debate is ended.

Mr Habsburg (PPE). — *(DE)* May I draw your attention to the fact that with previous resignations a short debate has been held. The decision of course is in your hands, Mr President, but I merely wanted to recall that point.

I originally had serious reservations about our colleague, Mr Tortora's, decision, but after what I have just heard, after the sincere moral sentiments that have been expressed here, I should like to thank him on behalf of all of us for his decision to return to his country to fight for justice. It is an action worthy of him as a Member of the European Parliament, and he goes with our best wishes and the hope that we shall meet again soon.

President. — We have never refused to give the floor to a Member who wished to speak. But I think that the Rules are sufficiently clear on this.

Mr Gaibisso (PPE). — *(IT)* On a point of order, Mr President. We have all witnessed something that can only be described as 'dramatic'. I do not think the Rules of Procedure prevent us from speaking under circumstances such as these. I ask whether it is not possible — since there is no vote taken on the formal record — for any of us, who may so wish, to express his own opinion on the matter, speaking for whatever time is allowed; for any of us, that is, to accompany a colleague — if nothing else, from the human standpoint, Mr President! — who is leaving this Assembly because of something that concerns him personally, with the comfort of a few words that can be charged with so much human content that it cannot be left solely to the pragmatism of the Rules of Procedure to decide whether those words should be spoken or not.

Mr Selva (PPE). — *(IT)* Mr President, although the ideas that I believe in are very different from those of Mr Tortora, under the present circumstances I very much want to express my thanks to him for the statement that he has made to us. Although there was no call for him to resign, he wanted to be a free man, to be judged by the courts of his country on the same basis as any other citizen not accorded parliamentary immunity. This is, I think, a battle that unites all of those who believe in freedom, and the rule of law, independently of the merits of the questions on which Mr Tortora has been called to answer to the courts.

I should like to conclude with one observation: in our country, in recent times, the courts have set much store by the phenomenon of so-called '*pentitismo*', which has perhaps achieved some results as regards the

fight against terrorism. I think, however, that this practice — if extended and applied to any other form of crime beyond even the scope of this law — establishes an 'unjust' form of justice. Let those of us who are for a just form of justice — as I believe all of the citizens of Europe who sit in this Parliament are — draw a lesson from Mr Tortora's gesture also, so that this form of justice may be increasingly in the ascendant.

(Applause)

President. — I should just like to say in passing that it is true that the agenda does not provide for a debate on Mr Tortora's resignation. But, as you have seen, I have already allowed colleagues to intervene and I shall give the floor to others who wish to speak.

Mr N. Pisoni (PPE). — *(IT)* I shall not take up, Mr President, very much of the Assembly's working time; but no Rule of Procedure can prevent each one of us from expressing solidarity with Mr Tortora, and great respect for him. To challenge the Italian system of justice, with all that that gesture may involve, and without the benefit of a 'safety net', is an act of courage; and it is undoubtedly a noble lesson, as Mr Selva said a few moments ago. I want to accompany Mr Tortora's courageous gesture with the solidarity of the ideas that I represent, which are deeply Christian and which, at this moment, bind us together, even though we have sometimes been on different sides politically.

My dear Tortora, I am close to you personally, and shall be even in the days to come — if Italian justice opens its prison doors to you — with all that solidarity that a Christian brother can bring to a true friend.

(Applause)

9. General budget for 1986 (continuation)

President. — The next item is the continuation of the joint debate on the draft general budget of the European Communities for 1986, as modified by the Council.

Mr Tomlinson (S). — Mr President, it is no secret that British Labour Members cannot support the 1986 budget, however it is amended. We cannot support it because of the obscene inequity between its provisions for agriculture and those for the rest of the people of Europe. This budget devotes 70% of its resources to the common agricultural policy. The balance has to cover everything else, with precious little concern for the issues which preoccupy the citizens of Europe, namely, economic growth, the fight against unemploy-

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ment, proper assistance to the Third World, and the need for industrial reconstruction. Precious little resources have been allocated to those priority issues.

However, despite the inadequacy of the budget as a whole and despite the fact that British Labour Members will vote against it, British Labour Members did accept two main Parliament goals in the 1986 budget. We accepted that the costs of the Treaty obligations for enlargement should be met in full and that the proper operation of the structural funds needs to be ensured. Despite our objections to the total shape of the budget, we were impressed by the strength of Parliament's demands concerning the interests of Spain and Portugal and the needs of the European Social Fund and the European Regional Development Fund. We even thought there was a chance of this House getting away from its near constant whining about its powers and actually using effectively the powers it already has. Therefore, when my motion for global rejection was defeated at the first reading, I and my colleagues joined with this House in supporting Amendment No 640, thus ensuring that there were no votes against it.

What do we find barely a month later? We find talk of compromise when we have already compromised on the Commission's preliminary draft budget. We have moved towards a Council draft which had a clearly illegal first reading. I have to say to this House that if we compromise further on the appropriations for what were enshrined at the first reading as being fundamental principles, then we shall be compromising on the principles themselves. My colleagues regard those basic principles as not open to compromise.

But besides the talk of compromise, what are the words and phrases now appearing in this discussion? First, 'flexibility' — that is the call of the Council to the Commission. What is this flexibility? Let there be no doubt about it in this House. Flexibility means that the Council is demanding from the Commission that advances be cut and payments postponed for the European Social Fund and the European Regional Development Fund. That is a totally unacceptable view of flexibility for Members of the British Labour Group and I hope also for Members of this House who had so much courage only a month ago.

Secondly, there is frequent talk now of supplementary and amending budgets. Are current negotiations adding yet more pressure for these supplementary and amending budgets? Have we not reached a stage that the annuality of the budget itself is being compromised; and we know the view the House took last year concerning the imperative of annuality in our budget. It is fast becoming a compelling reason in itself for a rejection of the budget.

Then Mr President, comes the talk about guarantees. With the best will in the world to the person of the President-in-Office of the Council and with all the

Christmas spirit that I can muster, I would not value a guarantee from some of his colleagues much more highly than I value the special offers I receive from the *Readers Digest*.

I accept that the pressure of this House has forced progress on the cost of enlargement. But I am not prepared to see this advance at the expense of the proper operation of the structural funds where the existing 10 Member States are concerned. In this context, I have to say quite clearly to Mr Curry, in the light of what he said to this House this morning, that I and my colleagues did not support the Fontainebleau mechanism for dealing with the United Kingdom rebate in any expectation of a reduced significance being attached to the Social and Regional Funds by the United Kingdom Government.

I and my colleagues will therefore support at second reading what were laid down by us all as being fundamental principles at first reading. Failure by this House to do so will only encourage the irresponsibility of the Council next year — a year in which the presidency during the second half may not need too much encouragement to be irresponsible on its own account. I hope this House will stand firm in its declaration, because failure to do so will indicate to the world outside that the demand for further power that we will be making in our discussions tomorrow are powers that this House is not worthy to assume unless it has the political courage to exercise the powers it already has at its command.

Mr Price (ED). — Mr President, in this morning's debate there were really two main issues. The first was expressed by the rapporteur as the need to achieve fiscal neutrality for Spain and Portugal. It struck me, as he was saying that, that our Community budgetary system is defective in that we do not have mechanisms to achieve this sort of thing more or less automatically. If we look at the Member States, we see that they raise revenue where there is ability to pay and expenditure at Member State level goes in the direction where there is the greatest need. Yet we do not seem to have similar mechanisms in the Community so we have to resort to political decisions.

I think we ought to be looking, first of all, at our method of raising revenue so that it reflects the ability to pay to a much greater extent than it does at the moment. And secondly, over a longer period of time, at how we can achieve greater sense in the way we apply Community expenditure.

The other issue raised was whether the Council will agree to authorize money in order to meet commitments legally entered into which will fall due next year. That, it seems to me, is a reflection of how the Budget Council conducts itself. It really does seem extraordinary that we can actually be faced with such a question. These are commitments that the Com-

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munity *has* entered into. They *will* fall due next year. We are actually having to discuss whether we should put the money on the line to meet them! There ought to be some discussion outside the Budget Council as to how that particular Council conducts itself. It does not seem to reflect the decisions taken by the other arms of the budgetary authority. Each year it seems to land the Community with problems which are really quite disproportionate.

The other thing that struck me in the course of the debate this morning was that some Members are simply not prepared to face the fact that we do not live in the best of all possible worlds but in the real world. At this stage in the budgetary procedure Parliament's powers are limited by the Treaty, by the provision that there is a maximum rate of increase. We know that we have battled with the Council to get them to face the needs of the Community for next year and we know that we have got them to go a certain distance, but it is now clear to anyone who is prepared to be politically realistic that we are not going to get them to go the whole way. The situation now is that there will have to be a supplementary budget next year. I think this Parliament has got to negotiate in such a way that we get the best possible guarantees out of the Council for that supplementary budget because it is inevitable.

My last point is this: Unnecessary trouble has been caused for both Parliament and the Council this year by the method of calculation of the maximum rate. The Commission has not taken into account in their calculations the increase in the number of Member States from 10 to 12. I believe it should have been taken into account because the maximum rate involves such things as the increase in the gross national product within the Community. The Community is about to increase from 10 to 12 in the period concerned and that, in my view, should have been taken into account. If it had been, some of the problems we face might have been reduced.

Mrs Barbarella (COM). — *(IT)* Mr President, in preparing Parliament's second reading of the draft general budget, I think that what we have to be guided by is our assessment of how far the Council's reading meets or fails to meet the basic objectives that Parliament laid down in its first reading. That is to say, we have to ask ourselves whether the progress made by the Council can or cannot be considered sufficient to achieve the objectives that we set out.

I think that we have all of us, on the Committee on Budgets, checked that the figures that the Council proposes in its second reading — which, as we all know, is in reality only a first reading — are absolutely inadequate to provide us with a guarantee that the structural funds can function correctly in 1986.

And this, Mr President, is not a personal opinion, it is a firm conviction which the Committee on Budgets

arrived at after a detailed analysis of facts and figures and assessments that were provided by the Commission itself. I wish to say that our first reading was not constructed in a vacuum on the basis of hazy indications, but was based on figures that were worked out down to the bare bones — so much so that the figures which the Commission itself said were the indispensable minimum were even cut by us in an endeavour to be realistic and — let us add — in an endeavour to talk the same language as the Council from the outset.

Furthermore, Mr President, I should like to point out that the very fact that the Council has been obliged to say that the situation will anyway have to be reviewed a few months hence seems to me just one further proof that the Council is itself aware that, with the figures it is proposing to us today, there is the danger that the two funds — indeed, I should say three funds, the Social Fund, the Regional Fund and also the EAGGF Guidance Fund — may be unable to operate from the beginning of the year. And this naturally, Mr President, concerns not only two new Member States who will form part of the Community from January onwards, but also the other 10 members.

I do not think it is necessary now to assess the reasons motivating the ministers who took these decisions. There are a great many reasons and, I say again, they are not the subject of our present discussion. I should only like to remind you of the fact that, by acting in this way, those same Finance Ministers are contradicting what other ministers and Heads of Government are deciding at the same time elsewhere; I am referring to the fact that in the proposal for reform of the Treaty the need is spelt out very clearly — albeit without sufficient deadlines — for the North-South balance to be re-adjusted, so that obviously, therefore, the structural funds must at least be operating adequately, if not substantially strengthened. We are faced, therefore, with totally abnormal behaviour that is difficult to interpret. But I think that what counts as far as we are concerned at this moment, and as far as our second reading on Thursday is concerned, is precisely the fact that we have to start off by establishing that we cannot, using the Council's figures, achieve the objectives that we had set down which, as I said before, were very precise — that is, we must make the funds work properly, Mr President. If this is true — and I challenge anyone in the Commission or the Council to show that their figures are sufficient — I think that Parliament must stand firm on the objective that was set down on the occasion of the first reading. What does all that mean in terms of figures? How is this firmness to be translated into figures? I think that what we have to stand firmly behind is the fact that the figures we have to discuss with the Council must guarantee the achievement of the objective that I have mentioned. The representative of the Council asked us if we were prepared to negotiate. Of course we are, but what we wish to say to the Council is that we would never agree to negotiate on the basis that verbal declarations would be inserted in place of figures,

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because the budget is not a political document, it is a document that must contain figures. I think I can say without any qualms that its readiness to discuss and negotiate with the Council has always been a major feature of Parliament's attitude, and will remain so unreservedly this year as well. But it must be clear that what has been proposed is sufficient to cover only half of the requirement, and it is about this that we have to negotiate with the Council, on the basis of concrete facts and figures — not vague declarations.

I shall conclude, therefore, by stating that we are, of course, ready to negotiate, but not under any conditions. We are prepared to negotiate on the only possible basis, which is that we must make it possible for the structural funds of the Community to function properly during the coming year.

Mr Guermeur (RDE). — (*FR*) I should like to begin by congratulating our rapporteur, Mr Christodoulou, for completing a task which was extremely difficult and considerably more complex than that which faced his predecessors.

I should also like to pay tribute to the goodwill of the Commission and the Council who have shown themselves open to dialogue and I think we must welcome the prospect of a third reading by the Council, which is unusual. I think that needed to be acknowledged.

Having said this, a budget is the reflection of political will. And this budget, Mr President, reveals a weakening of the political will to create a true Community of Europe. The first element of this weakening is the cutting of resources. The Member States, after setting an unrealistic ceiling for the VAT which can be levied by the Community, have not this year used the margin available to it. Worse still, as my honourable friend Mr Pasty pointed out just now, the level is lower than it was in 1985. The European Council already agreed to give up legitimate resources when it embarked on the dangerous course of giving a blank cheque to the United Kingdom, the dangerous course of the *juste retour*, or fair return. It is going further this year. It offers us a budget which has voluntarily cut out all the funds needed to cover commitments undertaken.

The second element in this weakening process is the true structure of the budget which appears on the surface of things to be balanced. It shows that the Community, at least as we hoped to see it, is in a state of serious imbalance. The effect of an incomplete budget, together with 'flexible' implementation by the Commission, will be to place the whole burden of austerity on the weakest nations. The new members first of all, who cannot be sure that the obligations undertaken in the enlargement treaty will be respected. They will quickly realize, from the very first year, that they have bought a pig in a poke. And after them the least developed Member States which draw most on the structural funds. It is clear that transfers will be made from

the Social and Regional Funds to the detriment of these Member States. And then we shall see unmasked the strategy of certain activist countries which joined the Community with the intention of tailoring a consumer market to their national industries without paying the price of solidarity and cooperation. In addition to this weakening of political will there is also the weakening of the institutions themselves, of the way in which they operate. The governments of the Member States no longer even bother to hide their contempt for the European Parliament.

Last year we were brave enough to reject a budget covering ten months. This year the Council has placed us in a strait-jacket. It gives us an unfinished budget, covering an indeterminate period and an unknown amount, to be completed at an unknown date. Having been incapable of assessing the burden of enlargement, the Council is constrained to wait, to do its sums and see in a year's time how much it will cost before drawing up a budget. It really does show lack of foresight.

In reality, Mr President, the European Parliament's hands are tied. We cannot express the will of the people who elected us because we cannot reject the budget. We cannot commit provisional twelfths calculated on a budget for 10 countries for a year in which there will be 12 countries. We are thus obliged to accept the unacceptable.

If we enter a margin which goes beyond the limit legally imposed on us we know already that certain countries will refuse to pay their share. We thus have to give in to organized blackmail. This House, elected by universal suffrage, is obliged to accept a budget which is unfair because it penalizes the weakest and will make the rich richer and the poor poorer. It is also a dangerous budget because it leads us into an area of free trade without the compensating strength of solidarity. It is a step back from European Union because it will not enable existing common policies to be financed, let alone new policies.

Lastly, and I shall end with this, Mr President, we have to accept this situation without being able to play our part.

I myself shall vote in favour of this budget. I have to. I would just ask the negotiators to follow as closely as possible the lines of the first reading. But I must say, Mr President, that after we have approved this 'half-budget', this 'rump' budget, Parliament's reputation will not be enhanced and the Community institutions will have nothing to be proud of.

Mrs Fuillet (S). — (*FR*) Mr President, ladies and gentlemen, when fighting for Europe we are fighting not only for ideas, but also for men, women and children, in other words for policies. What is to happen to our people's Europe? The measures of concern to the

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citizens of Europe cover the whole range of Community activities and deal with fundamental economic and social matters such as employment, but also specific citizens' rights: education, culture, exchanges, twinnings, equal opportunities between the sexes. But as you have seen, we need take only one of these budget lines to see very quickly just how fast the package has shrunk.

Let us start with the way the citizens of Europe are kept informed about the building of Europe. How can we prove and explain things to them and motivate them to this end without adequate and rapid means of information of the kind we have here? How can they understand the extent to which national measures are backed up in all the Member States by Community policies? How, without well-prepared and ongoing information, can they assess the price they would have to pay if the Community did not exist and thus appreciate how necessary, indispensable it is?

Why, for example, is clear publicity not given everywhere to the impact of programmes under the Regional and Social Funds, and the EIB? Believe me, the novice needs courage, tenacity and determination to find out what is decided here and how we use his money!

What is the good of having an easy conscience here in this House when careful examination of the budget lines reveals that the Council has not made any increase in line 2720, intended to cover the costs of information and publicity, with 500 000 ECU specifically reserved for information for women!

The education of our children and students is a subject not far removed from information. And yet it seems clear to me that if we do not manage to involve youth in the pursuit of the European idea which inspires us here, if we do not succeed in motivating them by addressing ourselves to youth as a whole, with no particular privileged category and treating men and women on equal terms, we cannot overcome their apathy towards things European. To be frank, we shall have failed as Europeans.

If we had obtained small increases for the lines relating to cooperation between universities, vocational training, youth exchanges within the Community, teacher exchanges, we should have succeeded better in our task as Europeans. We should also have succeeded better if we had made school twinning schemes more fruitful and got clear explanations of our institutions included in school books.

Without going into wearisome detail I shall nevertheless quote a number of lines which the Council has refused to increase at all, although they were very modest to begin with: school education, new information technologies, preparation of young people for working life, European Centre for the Development of Vocational Training, etc., etc.

The people's Europe is also a solid network of economic and cultural exchanges between the local groupings, local authorities and regions of a Europe which is today greater and thus necessarily richer.

We need great solidarity among the citizens of the Member States. If we are to build Europe we need a thorough knowledge of one another. The international organizations which represent local and regional groupings do essential work, at the same time respecting the autonomy of the groupings concerned. For these, the increase of 275 000 ECU in line 291 has been rejected.

I shall not dwell on the free movement of citizens because I am afraid of running out of time, but you know very well what I mean, Mr President. It is with some anguish that I consider the second reading of this budget. But in Luxembourg the ministers hesitated for a long time between the internal market and the idea of the 'European area'. The debate has now come down clearly in favour of the idea of the European area. If Mrs Thatcher has resisted this idea for so long it is because she knows what that will mean for the people's Europe and that the European Commission will be far freer in administering it.

As for the primordial effects of our work here, for the citizens of Europe, Parliament has a duty to restore certain budget lines. What we wish to do and must do in agreement with the Council is to draw up a budget which will in part meet the objectives we have set ourselves.

More than ever our resolution of 14 November last that the Community could not ignore or restrict the financial commitments it had undertaken becomes pertinent and essential. It was in order to strengthen the European Parliament's policies and its image and impact in all countries that we agreed to reduce our margin by 21 million ECU. To some extent this was our move towards the Council. The figure was not conjured up out of the air: it is our response, proportional to the effort put in by the Council, towards sharing in the enlargement of the Community which we desired, which was our political choice.

We are thus convinced, Mr President, that this budget is insufficient. But we are also sure that the Council realizes that we shall have to approve a supplementary budget in the course of the year.

I shall conclude, Mr President, by saying that we are consistent in our approach. The first reading of the budget indicated the lines of this Parliament's policy thinking. What was needed for its second reading was a compromise, without sacrificing our policy lines but scaling down our ambitions. This is what we shall do.

Mr Brok (PPE). — (DE) Mr President, honourable Members, allow me to begin by taking up a point that

Brok

the previous speaker raised in this debate in a context where large sums of money are not involved. I mean the effort to make Europe a reality in the eyes of our young people. When we see what small amounts are required to assist youth-exchange schemes, or cooperation between schools and colleges, or in helping to provide occupational qualifications, and if we listen to the high-flown language in which these matters are discussed, then it seems to me only reasonable, at present levels of youth unemployment, to expect there to be some movement here.

In this debate our main concern has been with the conflict over the need to ensure that the requirements of accession and the operation of the structural funds can be met. At the Luxembourg summit there was much talk of consistency, of the internal market and the correct approach to the campaign against unemployment. I have the impression that there is a whole set of governments that are basically using this to their own advantage, that want the opportunities and advantages of the free European market to benefit primarily the richer nations in our Community.

But here they forget that there are always two sides to the same coin. I say that in relation to the operation of the structural funds. The European Community can only establish an effective internal market in the long term if economic opportunities within the Community are approximated to each other. To that end, the structural funds are one of the few mechanisms now available to the Community. They must therefore in my view be appropriately provided for. The same also has of course to be said in relation to Spain and Portugal, even if we can now detect some movement in the Council's second reading in that connection.

What we should certainly keep in mind — and this is the experience of the previous round of enlargement — is that entry into the Community is bound up with a very high level of expectations. If these initial expectations are seriously disappointed in the first year or two, we shall quickly convert pro-European fellow-citizens to convinced anti-Europeans, and we shall then have to campaign hard for the next 10 or 15 years to convert them back to European enthusiasts committed to the further development of the Community.

Any such mistake — I mean the non-operation of the structural funds — would, in my view be a kind of political original sin, one that would give us no end of trouble when it came trying to secure further development of the Community, and of the the internal market in particular.

I shall say no more at present about institutional matters or European Union. There could well be serious difficulties here in years to come if we do not take the necessary action. I also make the same reproach to my own government, which has only to increase its payments for 1986 — compared with 1985 — by less than

2%, and I have no doubt that these orders of magnitude are feasible without any difficulty at all.

If there is no movement in the Council, if the burden of long-term debt is not significantly reduced, and if no new projects are possible under the 1986 structural funds, we shall certainly be in serious trouble. Nor will all the talk about a supplementary budget for the Social Fund take us any further — the point has already been made in more than one connection. A supplementary budget in the summer would, for technical reasons — in that the project backers would have already completed their planning arrangements — make it impossible for the necessary appropriations to be committed from the Social Fund. A supplementary budget would, in my view, only make sense if we received a clear promise now that it would be submitted early next year to enable rational planning to take place.

If, as we are told, a supplementary budget is in fact being planned, then I cannot but wonder why the necessary appropriations cannot be entered in the budget now, in keeping with the best principles of budgetary integrity and budgetary clarity. Indeed, I would submit that it is necessary, for reasons of budgetary integrity and clarity, for the anticipated expenditure to be entered in the budget now, since there might well otherwise be legal problems.

I consider that enlargement compels us this year to seek unity. I also believe that this is not the right year for unleashing an institutional conflict simply in order to secure major restructuring. At the same time, there must not be any retrograde movement, such as would be unavoidable on the basis of the Council's previous planning. For that reason it is urgently necessary for the Council also to move in the direction of the necessary compromise and not to try to reduce Wednesday's conciliation to a farce.

Mr Rigo (S). — *(IT)* Mr President, may I, too, thank the rapporteur, Mr Christodoulou, to whom a considerable part of the credit is due for the change that has occurred latterly in the behaviour of the Council on the question of the budget: the credit is not due to him solely simply because, between the first and second readings, the President of the Council made his own contribution.

We have still got a budget of a conflicting character but, if you look at it carefully, this conflict is all inside the Council. The 1986 budget must in fact satisfy two requirements of a highly political nature, which the Council has examined and answered. I am referring to the enlargement of the Community to include Spain and Portugal, and that part of the Luxembourg Agreement regarding the implementation of economic cohesion, which is the backbone — as Mr Christodoulou described it — of Community policy.

Rigo

If these decisions of the Council have any meaning, we must make them compatible with a budgetary policy. What would be the point of saying that we want the accession of Spain and Portugal if we then failed today — without waiting, in other words, for a hypothetical supplementary budget — to allocate the necessary funds for that accession? What would be the point of economic cohesion — the implementation, that is, of an economic policy that would use to best advantage the funds for regional and social policy, as was decided at Luxembourg — if we then failed to respect the 'cost of the past', which we know concerns to a substantial extent commitments regarding the structural funds?

The Council, between the first and second readings, has answered these questions in different ways. The raising of the maximum rate of increase from 7.1% to 19.3%, and the increases in the allocations for payments and commitments, both represent considerable increases compared with the previous budget; but if we bear in mind the new factors for 1986, and if we relate this greater expenditure to the national economies or national budgets, we can see that these increases are in fact quite small. Having regard to their size, these figures add little to the political question. As Mr Dankert said this morning, what we are talking about is not negotiations but political objectives. Do we mean to give security to the new Member States entering the Community; do we mean to get away from the policy of agricultural protection, and breathe new life into the competitiveness of our economy and establish a new balance between areas that are economically strong and those that are weak? Do we want to think of a budgetary policy that is planned on a medium-term basis?

When we started examining the budget for 1986, I remember that we found amongst our papers a Commission proposal which programmed over a three-year period the different sectors of the European economy that the budget concerned. Then the Council came out with its proposal and upset all the good intentions of the Commission and the Committee on Budgets which, for its part, had started drawing up a medium-term plan. We have once again ended up in inter-institutional conflict, without making any contribution whatsoever to the Community's economic development strategy. We are today reduced once more not to talking in multi-annual terms, but to considering a few aspects only — I refer to the structural funds — and considering them on the basis of a six-months time span only.

That is why, Mr President, we say that we find these last proposals of the Council unsatisfactory as well. We are looking with confidence to tomorrow's conciliation — we were deeply struck and interested by the proposals outlined this morning by Commissioner Christophersen — but we are also looking, with unswerving determination, at the needs of the European Community which does not allow postpone-

ments, does not allow uncertainties, and still less allows temporary expedients — even though they are only of a financial character.

IN THE CHAIR: Mr LALOR

Vice-President

Mr F. Pisoni (PPE). — *(IT)* Mr President, ladies and gentlemen, the 1986 budget is the first budget that is intended to cover the accession of two new Member States, Spain and Portugal, which have considerable regional development problems and a particularly high level of unemployment. It would therefore be all the more desirable for the 1986 budget to envisage adequate allocations, above all where the structural funds are concerned. We need only recall that, with enlargement to 12 Member States, the population of the economically weaker regions in the Community will be doubled, whilst the regions in which per head GDP will be less than 60% of the average of the 12 States of the Community will represent almost 20% of the total population of the EEC — in other words, 60 million inhabitants. There is thus an increased commitment for the Regional Fund and for the European Social Fund.

We also know that, where the structural funds are concerned, there is the problem of honouring the commitments accumulated in previous years, which the European Commission and this Parliament intended to resolve when adopting this budget. This year, in fact, in which the rate of VAT has been raised to 1.4%, was in our view the only opportunity to liquidate once and for all, with this chapter, the cost of the past. Afterwards, when the new resources will be totally absorbed, will be too late. The liquidation of the commitments of the past is in our view an indispensable element to the correct functioning of the funds in relation to the new tasks that the accession of Spain and Portugal brings in its train.

It does not seem to us that this essential aspect has been grasped by the Council, which in its second reading has drastically reduced the overall allocation of 1 600 million ECU that was requested by the European Parliament in order to cover, in the structural funds, the cost of the past and the obligations arising from enlargement.

We hope that in the conciliation procedure this situation will be reviewed. In response to our concern to guarantee measures by the Social Fund and Regional Fund for the benefit of the new Member States, the Council could only advise the Commission to use those funds with a certain degree of flexibility. That would mean financing the Spanish and Portuguese projects without, however, allowing the other Member

F. Pisoni

States to put new projects in hand. We have a duty to undertake commitments for the benefit of the Portuguese and Spanish regions, but we want to avoid their being detrimental to measures which it is absolutely essential to continue providing to help the backward regions, and those whose growth is in decline, in the present Community.

With regard to the Regional Fund in particular, a 47% increase in the allocation was necessary to allow Member States barely to maintain the allocation level achieved in 1985. Now, even with the proposal of the Committee on Budgets, which was drawn up after the second reading, the Regional Fund would suffer a reduction in real terms of 3% with regard to the 10 Member States.

We are therefore not asking for reckless increases, we are simply seeking to defend a minimum level that is vital for the structural funds to be able to operate properly. It would be useless to sacrifice the allocations of one fund — the Social Fund, in the case in question — to the benefit of the other fund, the Regional Fund. To compress the already extremely modest allocations — modest, that is, in relation to the real needs — of both funds would be a real struggle between paupers. We can certainly not agree to that, since it is contrary to the spirit of the Community, and to the principle of the integrated working of the structural funds.

I should like furthermore to recall that the recent European Council in Luxembourg reiterated once more — as if it was still necessary — that the Community aims to reduce the imbalances between the various regions, and the backwardness of the less advantaged regions. This is not a simple statement of principle, it is the wording of Article 1 of the draft amended Treaty as prepared by the Intergovernmental Conference. Up till now the disparity between the different regions has increased, and the gap has grown wider. Article 3 of the same text lays down that the Regional Fund is intended to help correct the main regional imbalances in the Community, assisting the development and structural adjustment of the underdeveloped regions, and the conversion of industrial regions that are in decline.

We must therefore realise that, by pressing for an acceptable allocation to the Regional Fund in relation to the Community's regional development requirements, we are doing no more than acting in line with the priorities that the Heads of Government themselves have not been able to disclaim.

Mr Filinis (COM). — (GR) Mr President, we are in full accord with the huge majority vote of the European Parliament which insists that the Council of Ministers is still, in its second draft budget for 1986, casting aside Parliament's proposals, and basically is ignoring the fact that it should have provided for

needs arising from the enlargement of the Community and for the prior commitments. We must, as a Parliament, react effectively, and not fall over ourselves to go ahead with any arrangement which does not take full account of the realities involved in the situation. It is unthinkable that we, as directly elected representatives of the peoples of the Community, of the nations of Europe, should bear full responsibility for the cuts imposed by the Council: cuts which will surely have the most damaging consequences. These could include the structural funds being unable to meet their commitments during 1986, and the regrettable need for the financial cost of enlargement to be met by appropriations intended to foster new policies, or even by Spain and Portugal, the newcomers to the Community. These are countries which have relatively weak economies, and will be obliged to contribute large amounts to the budget, for the benefit of other, richer Community nations.

I would like to take advantage of this opportunity to stress, with particular regard to the Mediterranean programmes, that our Parliament should insist on the original sum demanded during the first reading of the budget. However, Mr President, above and beyond these considerations, we have reached some wider-pitched and substantial conclusions. Indeed, unless it is our intention to stay with our eyes firmly shut, we must accept that reality demonstrates quite clearly to all that in general terms, the level of the budget is unacceptably low, that the proposed value added tax percentage of 1.4% is quite insufficient, and that as a first step it should be set, as soon as is possible, at 1.8%.

Mr Papoutsis (S). — (GR) Mr President, there are two basic standpoints in any process of negotiation. On the first hand, there is the matter which becomes the subject of negotiation, and on the other, the reasons which have given rise to it. It is precisely to these reasons that I initially intend to address myself.

During the November part-session, we were invited to prepare the European Parliament's proposal for a financial response to the particularly pressing problems facing Community progress.

Firstly, the problem of financing enlargement, so that the agreements governing the entry of Spain and Portugal could be implemented.

Secondly, the problem of the accumulated Community obligations to existing Member States.

Thirdly, and most importantly, the problem of Community development, meaning the securing of the conditions required of the structural funds to operate.

The Parliament's stance, as expressed in the addition and allocation of 2 300 million ECU most definitely does not represent a comprehensive response to the serious problems posed by our times.

Papoutsis

The budget we have proposed is 1 000 million ECU less than the Commission draft. The 1.4% ceiling on VAT is not up to the level of income and is certainly lower than we, as politicians, had hoped. We aimed at a minimum not to bring about financial development in the Community, or to foster and pay for new policies, but simply in order to achieve a somewhat modest and reduced objective — the financial survival of the Community.

Since then two things have happened: the second reading of the budget, and the Luxembourg Summit. I would suggest that there is a link between these two events, because they are both indicative of the Council's behaviour and because the contradiction between the ringing declarations and actual practice has been thrown into stark relief. The internal market, the convergence of the economies and development were proclaimed to be essential, and the corresponding measures were announced. It had already been decided — and declared as a formal decision — that generous aid and support for the structural funds was necessary.

So much for the taking on of obligations. But what has actually happened? What is the practical outcome of the Council's decisions concerning the second budgetary reading? Once again, there is a delay in resolving the weight of the past, given that the structural funds will cease to operate half-way through the next financial year, and we have a solution to the problem of enlargement which is more apparent than real. I say this because we all know perfectly well that it is not possible, on the basis of the regulations, to share the finance for enlargement with prior commitments.

Besides, the Council itself recognizes that its proposal leads nowhere, and suggests two solutions: firstly, the promise of a supplementary budget, and secondly, the application of the famous principle of 'manoeuvrability'.

So, our position in relation to the Council is very far from what it should be — in other words, we disagree on the most effective use of Community resources. This is developing into a conflict between a minimum proposal for the financial survival of the Community and another which runs contrary to Community legislation. This is a proposal which turns the budget, which is the official financial structure within which the Community works, into nothing more than a tactical exercise, which instead of tackling the problems of the years to come, transfers them; which replaces the regulations, the official and accepted means of settlement, with the principle of manoeuvrability, of covert pressure, of blackmail and arbitrary treatment.

Therefore, the European Parliament cannot and must not retreat. Because the Community must have a budget, it must have regulations, it must have procedures. And, above all, the Parliament must possess some credibility in the eyes of the peoples of Europe. Parliament stands accused of widening the gap

between commitments and payments at the same time that the Council hides behind continuous, repetitive announcements, with which it attempts to excuse its short-sighted policy. However, these declarations fail to hide its real aim, as revealed in the nature of, and the thinking behind, a financial discipline which places the values of accountancy above political values. Our present conflict with the Council is no more than the outcome of this type of thinking, which if continued into the future will develop into a permanent mechanism for the creation of financial crises.

Ladies and gentlemen, the workers and peoples of Europe generally are looking to a renewed Community to respond to contemporary challenges with policies to eradicate structural inequalities, to combat hunger in the Third World, and to encourage economic development to restore the possibility of technological progress. Parliament's basic duty is to back these policies and to secure the means required to implement them.

Therefore, during today's second budgetary reading we have no choice but to insist on the implementation of our policies. Our stance concerning the budget cannot, Mr President, be other than to insist on the decisions that we took during the first reading.

(Applause from the left)

Mr Ryan (PPE). — When one is a good Finance Minister, it probably means that one has reached the summit of one's ambition because to do the right thing means being unpopular. There is in Europe a club of former Finance Ministers. They are people who understand loyalty to the principle of good budgetary control which is to fulfil all one's legal obligations, and to the second one which is to ensure that policies are adopted which will encourage employment and development.

I regret that, as one of the club of former Ministers of Finance, I have to condemn all the current Ministers of Finance in Europe who totally disregard their obligations towards Europe. Their duty to the Rome Treaty is just as strong as their duty towards their own popularity in their own electorate; in fact it is stronger.

It is particularly disappointing that at this second reading of the budget for 1986 the Finance Ministers in the Council of Ministers have not yet accepted their absolute total obligation under the Treaty of Rome to ensure an equal standard of living amongst all the people of Europe irrespective of whether or not they are Greek or Irish, whether they are industrial or agricultural employees or come from any other sector. The gap between the rich and the poor widens and it is deplorable that just as two of the poorer European nations, Spain and Portugal, join the Community, the Council of Ministers gives what is vulgarly known as the thumbs up to the poor nations. They can hump

Ryan

off; rich Europe is really not interested in closing the gap between the rich and the poor.

Just look at the proposals for the Social Fund in 1986. The urgent needs of the new Member States, Spain and Portugal, cannot be accommodated, even assuming that the proposals of Parliament are accepted, without a severe cut in the Social Fund allocations to countries like Greece and Ireland. How can this Community pretend to try to achieve the objectives of the Rome Treaty when we act in this irresponsible, unsympathetic way which shows total disregard for the right to equal opportunity for all members of the European Community? We are still living with the outrageous and, I believe, illegal decision of the Council of Ministers, which allows the United Kingdom to pay a smaller contribution to the Community than any other country. Oh I've heard a mutter from my left but that is very unfair — Ireland, which has a much lower per capita income than the UK is required to pay a 60% higher rate of taxation than the UK. That is totally wrong! We cannot be a Community of equal citizens with equal rights and equal obligations if one Member State is paying a lower rate of contribution in tax than States that are poorer. And we now have the disgraceful situation in which the United Kingdom — may I say I don't envy them, but it is a comparatively wealthier State than many other States in Europe — is paying a lower rate of contribution to the Community than is Ireland, Greece, Spain or Portugal. That is complete nonsense, Mr President, and it just shows you the false basis upon which the Council of Ministers, and in fact the European institutions as a whole, have prepared the 1986 budget. Therefore I think we have to give this very serious consideration in the interval between now and the time we vote, which is very short.

Mr Pitt (S). — Mr President, the annual adoption of the common market budget is the biggest example of putting the cart before the horse that I have encountered in nearly 30 years of public life. Every year a set of numbers is crunched back and forth between the Commission, the Council and Parliament. Every year it ends unsatisfactorily, if not in acrimony. Every year the cost of agricultural support rises and every year, after much hot air about the virtues of financial stringency — and long after all of the connections between the budget and what it is for have been forgotten — the act of compromise itself is elevated, to being an end in itself; the highest prize that politics and public life can offer, and the most sublime state that man can reach before these mortal coils are shuffled off.

Please note, however, as did the little boy about the emperor's clothes, that in all of the talk about compromise no one in this Chamber ever says between what two positions they are proposing that we should be compromising. Would it not be more sane, Mr President, if just for once we looked at the horse and its needs and shortcomings before we begin to

create the cart? Why not try to see which common problems of the common market countries are in most need and only then allocate the money? Problems first, policies next and finally cash on the line. If we did this, we would have the added advantage of discovering savings in the amounts we presently spend, which could go to more worthy and more useful ends.

For example, in our priorities we might do something about the 65 000 bankruptcies in the common market countries last year. We might do something more progressive about the 14 million people unemployed in our countries today. We might tackle the decline in our manufacturing industries that is going on all around us. We might develop radical programmes for the renewal of our decaying urban areas. And we would certainly decide, as our electorate has long believed, that the Common Market could do much more in terms of development and food aid for the Third World.

If we looked for savings, Mr President, we would, I believe, find a number of very important examples. First of all, in Britain today there are 6 million tonnes of grain stored which are, in the words of the chairman of the Home-Grown Cereals Authority, valueless. However, they cost £600 million sterling to buy and still cost £80 million sterling a year to store. That could yield resources for industrial regeneration. If this disgrace obtains in other countries and in other intervention stocks, then we could make even greater savings.

Secondly, we would certainly find, if we looked for savings, that a vigorous pursuit of fraud in the EEC regulations would yield hundreds of millions of pounds sterling per year that is presently going into the pockets of petty but rich criminals.

Thirdly, if we took a careful look at the monitoring of our expenditure, we would be likely to find — and I think these figures are actually available at the moment — that the agricultural guarantee fund for this year is some £200 million in surplus. This money could make an amazing difference if it could be transferred to the non-compulsory sector.

Instead of this, Mr President, we will be heading by Thursday of this week, either in the conciliation with the Council or in the vote in this Chamber, for either a crisis with no budget or else a collapse of Parliament's position with a budget insufficient to succour either the European Social Fund or the European Regional Development Fund in 1986.

What are we arguing about? We are arguing about £500 million sterling. That is the difference in payments between this Parliament and the Council as of today. I think that it is a travesty of our responsibility to 250 million people with all of their needs that when we talk about a small sum, we are talking in terms of compromise instead of finding the money.

Pitt

I therefore conclude, Mr President, by saying that in my view, as in the view of my other Labour colleagues from the United Kingdom, it would be preferable to reject this budget which fails completely once again to address the real needs of the citizens we represent.

Secondly, I conclude that if we do not reject the budget, we should adopt Amendment No 640 which calls for that £500 million sterling to be added to the Council's second reading figure. We should stand steadfastly by that amendment and face the consequences of a Court of Justice case from any Member State that has the guts to bring it against us.

Mr Langes (PPE). — *(DE)* Mr President, anyone who has been following the debate here today can only have concluded that, while the Members of this House may have chosen to express themselves in different terms, they have, regardless of the political group to which they belong, all put over essentially the same argument. I therefore could not help thinking that the whole performance — and perhaps this Chamber is partly to blame — has elements of a Greek drama: not, though of a comedy; it tends rather towards Sophocles or Euripides, a tragedy with the European Parliament in the role of the chorus which, as we know, took up a position behind the scenes commenting on what happened on stage and generally weeping and wailing. In the centre stage we have the Council of Ministers, and this Parliament has now spent many hours telling the Council what roles it expects the different players on the stage to take.

Now, the players appearing on the stage are represented exclusively by the President-in-Office of the Council. Our efforts, as Greek Chorus, to communicate with the Council of Ministers are being made much harder for us because of the peculiar role being acted out by our President-in-Office. He stands on the wall calling out a strange message to Paris, Bonn, and The Hague, telling them: 'Be sure to come on Wednesday! Because after today's proceedings where everything will be more or less officially sewn up, we'll still have the chance of appearing in a kind of epilogue with a happy ending'.

That is the point we have now reached, and all those who have spoken have taken the view that it is by no means clear how this budget debate will come out in the end. But all have strongly indicated that at the very least the Council of Ministers must move in the direction of conciliation, for only then will a happy ending be possible, in the form of an acceptable compromise. Yet there is always an unreal quality, something wrong in principle, to this kind of picture. Even so, Mr President-in-Office of the Council, even if our efforts to secure a compromise do not succeed, I am still convinced that we will reach a happy ending.

Why should we? Because I believe that everyone who looks at the budget of the European Communities

knows that the European Parliament's comments and recommendations do not result from arrogance or from any desire to spend for spending's sake. Rather, they result from the realization that the Council's proposals in their second reading are inadequate to enable this Community to continue to operate effectively in terms of certain major policies. The President-in-Office of the Council admitted as much when he said that the Council was, of course, prepared to reconsider the need for a supplementary budget in the course of next year.

We can well appreciate that a supplementary budget may have to be considered in the middle of next year to maintain stability in relation to such things as the trend in the exchange-rate of the dollar, or the state of agricultural markets. These are things that no one can predict in advance. The unexpected may well arise. But what we can now see coming in the case of the Social Fund has nothing unexpected about it.

We could of course try to smooth things over by taking refuge in terminology following the example of the Vice-President, Mr Christophersen, and try to draw things out by referring to such entities as flexibility of administration. But everyone — even the Council — knows that the fundamental question remains unanswered. For there is no fundamental answer in those terms.

There is nothing unexpected about this. It has also rightly been said that the Council does not always take Article 199 of our Treaty sufficiently seriously, although it clearly stipulates that everything relating to revenue and expenditure must be entered in the budget. The Council can hardly be said to take its duty of maintaining legality seriously if it assumes that all that is required is to adopt a supplementary budget.

That also leads me to hope that the hard-line Finance Ministers who sit in Paris, London, The Hague and Bonn may even come round to the political conviction that what Parliament is proposing here is right — even if they only accept it in a diluted form. Not because we take the view that we had somehow been aiming too high. We do in fact recognize that there are certain financial constraints on the Finance Ministers of the Member States. It is not the case that we have been living in a political vacuum in our home countries.

Yet however much we acknowledge these financial policy constraints, on account of which we are prepared to reach a compromise with the Council, the Council must also realize that we are not prepared to agree to a compromise at any price. The Council will also have to accept responsibility if no compromise can be reached at Wednesday's conciliation procedure. We as a Parliament know how to carry our share of the responsibility. We shall try to make do with the absolute minimum that 218 or more of us can regard as reasonable, and we shall go on to adopt that minimum.

Langes

We shall then have a budget of the European Communities. The Council will not then resort to legalistic formulations to turn that budget upside down. We shall not — as has been suggested — reject the budget; on the contrary. The Council will then be in a position to say: 'Very well, we are not enthusiastic, but we approve retrospectively', or something of that sort. The Council will be judged by the extent to which it rejects items for fiscal reasons.

The Members of the Council of course have a better platform than we have from which to make their views known to the electorate through the media. We know that Strasbourg is not the best of platforms in that connection. With Bonn or Paris as the place to hold a press conference of Finance Ministers, it goes without saying that they have the power to get their message across. And I am only too well aware of the message that is going out day after day: This European business is too expensive, it is costing so much money, and it all has to come out of the poor taxpayer's pocket.

But if you look at how much the Federal Republic of Germany — and I of course mean the taxpayer, not the Federal Government — has had to come up with in value-added tax for the current year of 1985, including back-payments by the government, then you have a total of 5 200 million ECU. If we include what we have decided upon hitherto and the amounts agreed by Parliament, i.e. the small increases we are now discussing, and which will be submitted to you in conciliation procedure, the total will go up from 5 200 million ECU to 5 400 or 5 500 million ECU. That means at most an increase of 3.5%.

If we look for example at how much the German federal railway authority spends every year on modernizing the network, that may help us to see things in a better perspective, for we shall then appreciate that the amount over which we are in dispute represents only a tiny fraction of what Germany's transport authority has to spend to maintain the rail network.

We simply must restore these amounts. I believe too that it will be perfectly clear to everyone why we have campaigned so vigorously on this issue, and why we have still not given up all hope of being able to work out a joint compromise with the Council, but that where certain important items are concerned our patience now really is exhausted.

(Applause from the Group of the European People's Party)

Mrs Lizin (S). — *(FR)* Mr President, ladies and gentlemen, I should like, in the few minutes remaining before the end of this budget debate, to confine myself to a subject which is I believe particularly symbolic of the procedure we have just gone through: I refer to European research policy, which is one of the losers in this 1986 budget debate. We wish today to reiterate, as

Mr Mallet already did this morning, that the cuts forced on this policy are excessive. It is true, and the socialist members of the Committee on Energy, Research and Technology do not propose today to challenge the overall compromise or the tactics chosen by the Committee on Budgets. It is nevertheless our view that they lend a completely abnormal and regrettable weight to title 7 of our budget. It is already so restrained and so limited compared with the heated speeches heard here and elsewhere about the need for this European research, so limited that those responsible must have had deep reserves of ingenuity to give it the inspirational effect which it manages, despite everything, to have.

At the first reading we already restored limited amounts for important policies — 46 million ECU for commitments and 13 million for payments. The cut forced upon us today is more than the desired average of 10%. This cut affects important programmes: demonstration projects, the new energy sources, research on raw materials and new materials, liquefaction and gasification of solid fuels.

In addition, and perhaps equally important, the reserve we had entered in Chapter 100 is significantly chopped, although it was set up precisely to make up for the low level of the sums earmarked in the budget itself. Admittedly the fault does not lie with the Committee on Budgets, and we must look to the Member States to find the reasons for this unwillingness to complete what is nevertheless essential to the future construction of Europe. It is also true that we have some consolation in that the Council has approved this new Chapter 78 on Eureka, though it is only a token entry and thus cold comfort. No sum is given, but one can see in it a hint of acceptance by the Council that the European institutions should play a part in the Eureka programme. We still need a reply on this from the other institution concerned, the Commission, and we hope it will give one tomorrow as regards its willingness to take part.

At the same time no provision is made for payments to the Euratom inspectors, for example, who are vital to the policy of nuclear safeguards.

This year once again the Community budget, which will be finalized today, for us, and then on Wednesday, brings no concrete fulfilment of our aspirations to see real priority given at last to research, the pooling of European brain power to devise our industrial policies for the future. Will it have to be the progress and comparative dynamism of others, a comparison unfavourable to us, which teaches us a lesson in this battle for European research? Some of us, at least, will fight this battle tirelessly, and I think that our entire Parliament will do so. We hope that the Council will pay greater attention to us next year, if not for the budget now under consideration, and that it will demonstrate a greater degree of political will.

(Applause)

Mr Pranchère (COM). — (FR) The delegation of the French National Assembly observed recently that budgetary discipline in its first year of implementation had been strict only as regards agriculture, which had suffered as a result. This assessment, which I share, bears out our analysis and confirms the fears we expressed when this short-sighted and necessarily arbitrary mechanism was introduced.

Both in the first or second reading the Council is imposing very strict limits on farm spending with the intention, confirmed in Luxembourg, of giving new impetus to the building of Europe by transferring funds from agriculture to the other sectors. This step is at once mistaken and dangerous, and we repudiate it, in the interests both of our agriculture and of the Community. If farmers are to believe in Europe, Europe must believe in its agriculture instead of sacrificing it on the altar of budgetary discipline! At the second reading the Council had a chance to initiate a rebalancing of farm spending, to make it fairer and to throw a lifeline to those farmers who are hardest pressed, particularly the stock farmers. The Council had the chance, but did nothing about it. It rejected all the amendments put forward by the European Parliament. The French producers, whose income will fall by 10 to 15% in 1986, will understand. Not to be outdone, the European Commission is preparing to deal them further blows. Under its Green Paper it is proposing to stop the intervention system from now until 1987, thus depriving the farmers of any support system for their prices and incomes. The sheepmeat producers, who are even today demonstrating in Strasbourg, appreciated the adoption at the first reading of our amendment calling for renegotiation of the Community regulation on sheepmeat in order to end the distortions in competition which were penalizing the French producers. The Council turned a deaf ear. Again, it has refused to attack the unfair privilege enjoyed by the United Kingdom, which will not only continue to receive 95% of the appropriations for sheepmeat but will also enjoy a reduction in its contribution which is 66% higher than in 1985, 11 billion francs which will be unavailable for the common agricultural policy when we come to fixing the farm prices. The Council continues to ignore the total cost of enlargement, which the Commission itself puts at 3 billion ECU as of 1986. In these circumstances the entry of Spain and Portugal will mean a stepping up of competition among Mediterranean producers, and those who will benefit are the firms which can obtain their supplies most cheaply or increase their markets. I will conclude, Mr President, by saying that for all these reasons: agricultural spending blocked by strict application of budgetary discipline, increased competition among the Mediterranean countries, the continuation and further easing of the UK contribution, I am obliged to reject the Council's draft budget.

President. — The joint debate is closed.

The vote will be taken on Thursday at 3 p.m.

10. Financial Regulation of 21 December 1977

President. — The next item is the report (Doc. A 2-152/85) by Mr Normanton, on behalf of the Committee on Budgets,

on the proposals from the Commission of the European Communities for:

- I. a draft regulation laying down detailed rules for the implementation of certain provisions of the Financial Regulation of 21 December 1977 (COM (80) 431/3 - DOC. 1-431/80)
- II. a draft amendment to certain articles of the draft regulation laying down detailed rules for the implementation of certain provisions of the Financial Regulation of 21 December 1977 (COM (85) 337/2 - Doc. C 2-61/85)

Mr Normanton (ED). — We meet today against the background of a major political development which took place last week in Luxembourg and which could well affect the very character and indeed the future of the European Community in general and of the European Parliament in particular. However, leaving aside intergovernmental decisions, this Parliament has only too frequently failed to make full use of the powers and the responsibilities we already have and until we do so, consistently and coherently, it ill becomes any Member in this House to criticize others or to condemn the Council in particular.

The report before the House this afternoon covers one important instance of a number of failures to act. It concerns the implementing rules of the Financial Regulation for the Community Budget, that is the rules which govern the internal workings of the Commission in applying the provisions of that budget. Article 106 of the 1977 Financial Regulation lays down and I quote

'In consultation with the European Parliament and the Council and after the other institutions have delivered their opinions, the Commission shall adopt implementing measures for this financial regulation'.

It is to these proposals of the Commission that your Committee on Budgets is responding.

The basic proposals date from as far back as August of 1980, but they relate to implementing rules which applied well before that date, indeed before the 1977 Financial Regulation itself. Five years later — or more, whichever way you interpret it, — there has been no progress with adaptation and no new financial regulation.

We, the Parliament, have therefore today an opportunity, and indeed I see it as a bounden parliamentary political duty, to respond, and I therefore commend

Normanton

this part of this report to the House. But we, the Parliament, should not stop, and indeed in this report we do not stop, just there. Failure to act lies also with the Council. It, the Council, is under procedural and contractual obligation, as I have already indicated, to revise the Financial Regulation every three years. They are long overdue in this and at the moment appear to be making painfully slow progress, if any, to fulfil that contractual obligation. In this report we, the Committee on Budgets, register in the strongest possible terms our condemnation of the Council and we demand that the Council honour its obligations — to which it is well and thoroughly committed — within six months, just as we the Parliament are honouring our obligations.

Might I just draw to your attention a correction in this report which appears on a piece of paper issued with it. It is a correction, not an amendment, to Article 43. I now commend this report to the House and I appeal to honourable Members to see that we do not abdicate our responsibilities as a Parliament or allow the Council to abdicate theirs. I beg to move.

Mr Christophersen, Vice-President of the Commission. — (DA) Mr President, I should like to thank Parliament on behalf of the Commission for resuming and concluding the procedure by which it is able to issue an opinion on the Commission's proposals. The Commission is very happy with the statement of opinion which it is intended to present, as that enables the Commission to complete its procedure soon. It is incumbent on the Commission, having obtained the opinions of all the institutions, to adopt the regulation. Now Parliament has almost completed its work — you still have to take a final vote — but all that remains is to get an opinion from the Council. I should like to take this opportunity to express the hope that the Council will also soon complete its work on the proposal, or rather — if I may be so free — that the Council will start its work on the proposal so that it can bring it to a speedy conclusion.

I should just like to say to Mr Normanton that the Commission can accept the amendments tabled by the committee. I do not mean the motions in every detail but, as far as the substance is concerned, the Commission is ready to take up all the amendments adopted by Parliament. I only have some misgivings as to the very clear legal formulation of the texts but we have no problems with the content as such. I should therefore like to take the opportunity to thank you for the effort put into this work and for the improvements you have proposed, which we can go along with. In any case we have long been aware that there was a considerable degree of agreement, because what has now been put forward tallies substantially with the views already expressed by the Committee on Budgetary Control and the Committee on Budgets.

President. — The debate is closed.

The vote will be taken at the next voting time.

11. *Cocoa and chocolate (continuation)*

President. — The next item is the continuation of the debate on the report (Doc. A 2-101/85) by Mr Nordmann, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on cocoa and chocolate products intended for human consumption¹.

Mr Pearce (ED). — Mr President, in this proposal for once the Commission has got it right. The Commission is proposing to take a step towards a common market, to open up the market for chocolate products made in all countries so that they can be sold in all countries.

We in our group, as real Europeans, support this cause, and one might have thought — and I suppose the Commission thinks — that everything was going fine. Yet, in the Committee on Environment, Public Health and Consumer Protection, into this prickly problem steps Mr Nordmann, who says he supports free trade. However, the reality is the opposite of that. What he wants is a protected market for certain French companies that seem to have some difficulty in selling their product.

We in Britain, Denmark and Ireland have good chocolate. We market it successfully. We have an excellent system of brand names, and quite honestly, Mr President, the public likes our chocolate better than they like Mr Nordmann's chocolate. That is what he is actually worried about. We have rumbled you, Mr Nordmann! What you are trying to do in your report is to give to the chocolate that so many people like a second-class name — to call it household chocolate. The report actually suggests that British, Irish and Danish chocolate should have an inferior name.

Yesterday my colleague, Mrs Jackson, said that little boys all over Europe fear the name of Mr Nordmann for trying to take away the product that they want. Well, for once I disagree. I think they are laughing at this report. What is going to be 'Nordmannized' next? *crème de menthe? crème de cassis? crème caramel? Pâté crème?* Are these all to be changed? Of course not, because they are French things. Are these to have their names changed, Mr President? Indeed I am sure you, Mr President, would regret it if we in this group were no longer allowed to call ourselves '*la crème de la crème*', which we truly are in this Parliament.

This is comic stuff. It is absurd, it is comic, it is hilarious, it is cheek, it is an insult to people to try to

¹ See previous day's debates.

Pearce

change a name that has been in use for so long. All of this in order to try to protect the interests of certain French producers of chocolate who are obviously incapable of sustaining their position in the marketplace without governmental support.

I urge the House most forcefully to support the Commission's proposal and to reject the Nordmann report.

Mr Nordmann (L), rapporteur. — (FR) Mr President, with his usual lack of restraint Mr Pearce suggests that I am acting in the interest of a certain number of firms. I would warn him about the implications of what he says and I suggest he should bear in mind that the report I am putting forward is not *my* report but that of the Committee on the Environment, Public Health and Consumer Protection.

Mr MacMillan-Scott (ED). — On a point of order, Mr President, since the entire European chocolate industry is against the Nordmann report, I think we can take it that nobody is behind him at all.

President. — Mr MacMillan-Scott, that was not a valid point of order. Mr Nordmann is speaking on behalf of his committee.

Mrs Boot (PPE). — (NL) What I have to say is inspired by the White Paper on the completion of the internal market. In my view, this proposal from the Commission for the approximation of legislation relating to cocoa and chocolate products is an out-of-date recipe. According to the Commission's philosophy, requirements relating to the composition of foodstuffs are not a subject for harmonization. Recently the Commission committed this philosophy to paper in very clear terms when it published its communication on the completion of the internal market and on Community foodstuffs legislation. I therefore have a few questions to put to the Commission.

Firstly, why is it now necessary to lay down more stringent requirements regarding ingredients?

Secondly, what is the standard in this complicated legislation that allows ingredients other than cocoa a margin of 5%? The concept underlying the directive is very difficult, since it includes both legislation that prohibits ingredients and legislation that permits ingredients. I fail to see why this should be in the interests of the free movement of goods. The legislation permitting certain ingredients is superfluous because we have Article 30 of the EEC Treaty for that.

Thirdly, the old, 1973 directive neither prohibited nor permitted ingredients. It did not affect existing legislation in the Member States. Only if the old directive — which was justified by the accession of the United Kingdom, Ireland and Denmark — conflicts with

Article 30 is it possible to understand the seventh recital of the Commission's proposal. What is the Commission's opinion on this?

Fourthly, why does the Commission's approach to improving the free movement of cocoa and chocolate products differ so substantially from its approach to the free movement of vinegar and beer? It was after all decided that we should not have Euro-vinegar and Euro-beer.

Fifthly, would the Commission be prepared to bring its proposal into line with its own priorities for the harmonization of legislation on foodstuffs and so consider harmonization only where it is in the interests of health and safety?

To summarize, Mr President, we do not need a directive that governs the composition of cocoa and chocolate products down to the last detail. In other words, we do not need Euro-chocolate! Article 8 and point A-1 of Annex III could be deleted. I do agree to harmonization where additives and the application of the labelling directive to chocolate products are concerned. Like the Commission, I cannot accept Amendment No 8, in which the rapporteur proposes the use of a different name if 5% vegetable fats are added. But if this amendment is adopted, I hope the Commission will withdraw the proposal and take the opportunity to bring it up to date.

Mr MacMillan-Scott (ED). — I would just like to ask whether this chocolate which is made in France, which contains vegetable fats and nuts, should carry some kind of health warning, as Mr Nordmann proposes. Would the Commissioner please cover that point?

Lord Cockfield, Vice-President of the Commission. — Mr President, I must first of all say how sorry I am that I could not be with you yesterday to listen to what was undoubtedly a debate of great quality and interest. Unfortunately, I had to be with the Council of Ministers in Brussels and this prevented me coming here until this afternoon. I would only say that it was well worth the journey from Brussels to Strasbourg to hear the speech of Mr Pearce on this subject! I can assure all honourable Members who have contributed to this debate that my friend and colleague, Mr Varfis, who was here for the debate throughout yesterday, has informed me very fully of what was said. I am, therefore, taking into account the various contributions that were made in the course of my reply.

I am of course aware of the strength of feeling on this subject. I do wish to assure Parliament at the outset that we have considered the views expressed very carefully. The Commission remains convinced, however, that our proposal is necessary to achieve a unified market for chocolate and chocolate products. This is important for the industry, for the consumer and for

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suppliers of the raw materials from developing countries. The present barriers prevent the free functioning of the market and it is for this reason that we put forward amendments to the original Directive No 73/241 EEC.

I would like to turn to the major objectives of the proposal. First of all the definition of chocolate. The first problem is the actual definition of chocolate. The original six Member States were particularly strict in this respect since they only authorized the use of two fats, namely, cocoa butter and ordinary dairy butter in chocolate making. I hasten to add, however, that it has always been perfectly legal to add other substances containing fats, such as hazelnuts or peanuts, both of which have a high oil content. Three Member States, Denmark, Ireland and the United Kingdom, did not have the same attitude and allowed the direct use of vegetable fats other than cocoa butter in quantities not exceeding 5% of the weight of the chocolate. I should emphasize that these are vegetable fats. They are not artificial substances. Despite what Mr Nordmann says in his report, this is not a recent practice. It goes back at least 50 years. The substances which are added are normal and harmless edible substances and cannot be regarded as impurities.

When the initial directive was adopted in 1973 it was not possible to reach unanimous agreement on the question of fats. The Commission believes that agreement on this matter can no longer be delayed. The major difficulty in deciding composition has been analytical verification. This has since been overcome in respect of the very great majority of fats likely to be used in chocolate. The Commission was, therefore, able to propose that vegetable substances could in future be used throughout the Community provided that three conditions were satisfied. First, that the maximum quantity did not exceed 5% of the weight of the chocolate. Second, that the label states that fats have been added and, third, the chocolate bears no specific quality indication.

Mr Nordmann's report considers that a product obtained with the use of vegetable fats should not be called chocolate. We must not forget, however, that products of this kind are called chocolate in three Member States which together account for almost 40% of the total chocolate production in the Community and that tens of millions of consumers in the Community obviously like these products. The Commission does not wish to dictate what consumers should or should not eat. The main thing is that people must know the composition of the product that they are buying. The proposal offers every guarantee in that respect since the presence of fats will be stated on the label. There is no question, therefore, but that the consumer will be fully informed as to what the position is. Under those conditions it would be completely contrary to the principle of free movement of goods which is one of the fundamental freedoms contained in the Treaty itself, not to allow into all Member

States products called 'chocolate' which are accepted under that name in three of the Member States.

May I come in more detail to the question of additives. Some Members yesterday suggested that the use of additives in chocolates should be banned. We do not believe that this is necessary since such additives do not pose a risk to health and do not adversely affect the quality of the chocolate. The Commission's Scientific Committee for Food composed of eminent experts — and this is a committee with an international reputation, not one just confined to the Community — has agreed that there is no reason to ban such products. In most cases, the use is very limited and only in the case of one of the five substances, ammonium phosphatides, is the use likely to be more widespread. However, these substances are similar to lecithin and, incidentally, the phosphatides are in fact found in the natural product and I do not know whether Mr Nordmann is proposing that the natural product be repurified to ensure their removal.

(Laughter)

These substances are similar to lecithin, which has always been used in chocolate and has been considered to be perfectly acceptable and is itself a natural product.

Mr Nordmann fears that the Commission proposals run counter to the interest of the cocoa-producing countries, some of which are associated with the Community. The Commission examined this question closely when it drafted its proposal and concluded that this fear was unjustified. But following the views expressed by Mr Nordmann and others, we have had further consultations with the ACP States and additional consultations are indeed foreseen for the New Year as well. Preliminary discussions in an ACP-EEC expert group do not show any clear-cut effect on the ACP producers. Any reduction in the use of cocoa butter is difficult to quantify as this will depend on the relationship of the quantities used and the price of the raw material. In addition, the ACP States will have to decide how best to reconcile the interests of the cocoa producers on the one hand and those who produce other vegetable fat products on the other.

Mr Nordmann's report also suggested that we should have stricter requirements for labelling of specific products. The Commission believes that our original proposal on labelling strikes a reasonable balance between the need to provide information for the consumer and what is technically feasible for manufacturers.

To sum up, the Commission considers that for the reasons I have outlined, we maintain our original proposal and we are not able to accept the amendments proposed by Parliament. As I have said, this proposal is part of our package to create a unified internal mar-

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ket and I would therefore urge that Parliament does support it.

(Applause)

Mrs Squarcialupi (COM). — *(IT)* Mr President, I want to say that Lord Cockfield has all the time been referring to Mr Nordmann, forgetting that the text that he is criticizing is the result of the work of the Committee on the Environment, and hence not that of one person alone. I want to emphasize that, especially after what has been said.

Mr Fanton (RDE). — *(FR)* Mr President, it is nevertheless difficult to let the Commission get away with what it has just said, that it is impossible to know what harm would be caused to the Associated States by this directive.

In saying this the Commission is either not telling the truth or is trying to mislead Parliament.

Contrary to the Commission's claim, the Associated States have done their sums. They have even sent a memorandum to the Commission. If the Commission is unaware of this, it is unfortunate, but if it does know, then it is lying to Parliament.

Lord Cockfield, Vice-President of the Commission. — It is not the function of the Commission to comment on points of order. That rests entirely within your competence, Mr President. All I would say in response to the last speaker is that the Commission does not suffer from prejudices.

(Applause from the European Democratic group)

President. — The debate is closed.

The vote will be taken at the next voting time.

12. *Committee of Inquiry into Fascism and Racism*

President. — The next item is the report (Doc. A 2-160/85) by Mr Evrigenis, on behalf of the Committee of Inquiry into the Rise of Fascism and Racism in Europe, on the findings of the Committee of Inquiry.

Mr Evrigenis (PPE), rapporteur. — *(GR)* Mr President, ladies and gentlemen, I shall begin by expressing my gratitude to all those — and they are many — who assisted our committee and its rapporteur in fulfilling its duty. I am sorry that I am not able to mention them all individually. They are spread very widely, among the secretariat of our committee, Parliament's docu-

mentation service and the technical advisers to the political groups. I would equally like to thank the distinguished experts, and the representatives of organizations who appeared before the Committee or submitted written reports, the research institutes who put their frequently highly valuable archives at our disposal, and also the translators, as I am aware that the subject of the report was not easy to translate into the various Community languages. This assistance was necessary since the committee's work was both difficult and delicate.

This research into the rise of fascism and racism in Europe presupposes a profound study as to the roots of the phenomenon, the elaboration and acceptance of certain working rules, investigation into what are often elusive areas, and their evaluation with objectivity and political impartiality, which is a state of mind not easy to maintain when faced with a question which is so politically controversial, and charged with historical memories, but of perennial topicality. The material which we had to process and analyse critically covered tens of thousands of pages and varied in form, quality and reliability. Written in almost all the Community languages, we checked and evaluated it in as far as was possible, within the tight time limits set by the Rules of Procedure for the life of a committee of inquiry. In a text of this length and content, there are bound to be errors or ambiguities. Yesterday, Mr d'Ormesson mentioned the references to Mr Almirante contained in paragraph 114 of the report. Mr President, I should like to take this opportunity to remind him that the references there were taken directly from a publication by the famous Anne Frank Foundation in Holland. I have in any case accepted the clarification made in writing by Mr Almirante, and have attempted to get the text speedily corrected. The corrected text which has been circulated does, I think, set matters straight.

I want to move on to a second matter. My colleague, Mr Croux, has requested me to clarify a point in paragraph 199 of the report. I am happy to do this. I must underline that the references contained there concern the meeting of extreme right wing groups at Diksmuide and not the official ceremony which took place there on the same day. This emerges quite clearly from the wording throughout the paragraph, but particularly from the reference which the reader will find in Footnote 248. Allow me to add, Mr President, that our committee had no legal authority to carry out 'first hand' research. We have no powers to order witnesses to appear, or to seek the compulsory submission of evidence. From this point of view, our committee's experience would perhaps lead us to suggest improvements to Rule 95 of the Rules of Procedure with regard to the European Parliament's committees of inquiry. Steps must eventually be taken to provide some legal backing for these committees, with an attempt to bring the model set for these committees of inquiry into line with what is found in the national parliaments.

The findings of our investigations are laid out analytically in the report. I shall try to summarize them in a few sentences, despite the risk entailed in condensing questions which are so historically and geographically complex, politically sensitive and open to many interpretations. The organized extreme right continues to maintain a presence on the political scene in Europe. However, with the European climate being what it is, it represents a very limited phenomenon. Temporary upsurges should not be taken as evidence of anything but the fact that the human resources available to the extreme right, neofascist and neo-nazi organizations remains extremely restricted, and their electoral showing is as a rule quite negligible.

However, over the last few years we have witnessed a radicalization in both the open expression of the ideas and the activities of these extreme right groups, which can be explained as a sign of their weakening position in terms of membership and electoral support. The move to terrorist activities among these groups is yet another typical aspect which could be explained in terms of the general increase in terrorism from all quarters. The overall conclusion is that the presence of the organized extreme right on the European political stage, even if it can influence the pattern of politics in one or another country, does not constitute a threat to the stability of democracy in Europe.

The legal and political mechanisms which protect democratic institutions provide sufficiently effective guarantees. There is a point which we must not, however, forget, and which is of particular importance, and that is that European public opinion, in its opposition to anti-democratic challenges, constitutes the main element in the defence of European democracy. The struggle for democracy centres around public awareness. We may rest our confidence on it, but it is our duty to be eternally vigilant.

Although extreme right groups do as a rule have a racist dimension, chiefly anti-semitic but also, in the current situation, aimed at immigrants of non-European origin, and although there are indeed aspects of personal or social conduct which contain elements of aggressive racism or racial discrimination, this is not however sufficient to explain the upsurge in racism in Europe taken in its entirety, with its systematically violent and aggressive attitude towards foreign communities. The countries of the European Community are constantly launching initiatives to try to stamp out any vestiges of racial discrimination which may still survive within their legal systems or which may emerge in day to day public or social life.

Many aspects involved in this problem require consistent treatment over a period of time, but I would suggest that the area which should attract our particular attention, and which is causing us some unease is the increase and intensification of a feeling of xenophobia, a condition which without leading to open displays of violence or hostility towards members of other racial,

national or religious groups, does contain elements of an unwillingness to compromise, mistrust, and rejection. The intensification of this feeling of xenophobia represents, perhaps, the major feature on the European political scene as described in our report.

This climate of xenophobia favours the breeding of genuinely racist and authoritarian tendencies, and its political exploitation is something which must be exposed and condemned.

It is in this area of life that the European Community is called on to join battle. Today, twelve and a half million foreigners live in the countries of the Community. There will be five million as from 1 January 1986, with the entry of Spain and Portugal, citizens of Member States and seven and a half million migrants and foreigners from outside the Community. The presence of these foreign individuals and communities undeniably creates problems, both human and social, which exacerbate the economic and social crisis which already exists.

The resolution of these problems presents the European Community with a major historical challenge. This challenge, to achieve a transition from a Europe where intransigence and mistrust flourish to a European society which is capable of absorbing the various communities in harmony can only be successfully met on the basis of the principles on which European political life is grounded, and our traditions; in other words, human rights, equality, pluralism, tolerance, mutual respect and the creative coexistence of all racial, national and religious variations.

We call this political project intercommunity relations policy, relations, that is, between the various communities coexisting in contemporary Europe. The European Community today has a not inconsiderable armoury of institutional weapons at its disposal with which to combat extremism and racism as well as racial discrimination. It is its duty constantly to check, repair and replenish this armoury. The report proposes a series of measures which may help to inspire national and Community action. It must not, however, be forgotten that the defence of democracy and the establishment of a society founded on equality, tolerance and reconciliation between the different communities are, more than anything else, a matter of education.

Democratic education, based on human trust, and the value and dignity of the individual, and on fundamental rights and freedoms, is the source from which a European response to this crucial historical challenge may be drawn. I am convinced that the European Community will rise to the call which history is making to it.

Mr President, I do not want to end this speech without pointing out that the committee's work showed that above and beyond the legitimate political disagreements between the forces represented in the Euro-

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pean Parliament, there is always the possibility of finding a common position which can be shared by them all, even in highly important and politically contested questions. The unanimous approval of the report by the committee of inquiry was, I believe, the expression of a political climate which I can only applaud. I only regret that the procedural dispute which preceded the debate prevented fuller participation in the critical dialogue on the report, which your rapporteur had very much hoped for.

(Applause)

President. — According to the agenda, we are now obliged to interrupt the debate which will be resumed at 9. p.m.

Mr Ephremidis (COM). — *(GR)* Mr President, with regard to Mr Evrigenis' report, I should like to ask if there will be a debate on it following the oral presentation, and if so, under which procedure?

President. — There was an announcement made in connection with this at 3 p.m.

IN THE CHAIR: MRS PERY

*Vice-President*¹

13. Action taken on the opinions of Parliament

President. — The next item is the statement by the Commission on action taken on the opinions and resolutions of the European Parliament.²

Mr Cryer (S). — Madam President, could the Commission comment on page 7 of the document which has been circulated? Some 34 000 tonnes of cereals have been distributed, and this is an improvement on the previous month. But could they explain why, for example, 300 tonnes of beans went to Angola while for the Sudan 1 million ECU were provided to purchase beans?

I think what many people are anxious to see is that the mountains of food which the common market creates should actually be moved in the direction of starving people rather than that money should be given for the purchase of food on the open market. The movement of food to the countries affected by drought is much

to be preferred. Could the Commission say when they are going to transfer significant quantities of food as they did, for example, in March this year, when they transferred 175 000 tonnes of cereals or whether it has any plans to do so?

Mr Varfis, Member of the Commission. — *(GR)* This is a question which I have answered over and over again, and it is becoming difficult to find something new to say each time. The Commission operates within the framework of decisions which have been taken and of the existing regulations, in accordance with the specific needs identified in certain countries.

Monetary assistance is given following negotiation with the country concerned on the type of aid. I said last time that the fact that there was no aid last month was symptomatic, and in fact this time aid was given because specific needs existed, chiefly for cereals.

I cannot say what improvement there will be over the coming months, basically because I do not know what the requirements will be, but what I can say is that aid will always be provided on the basis of decisions in which the Parliament has participated, and on the basis of the appropriations allocated by the Community budget.

Miss Quin (S). — Madam President, has the Commission anything further to report concerning the commitment it made to propose a directive on animal experimentation, which is of great interest to many of us?

Mr Clinton Davis, Member of the Commission. — Madam President, I am grateful to the honourable Member for raising this matter. Honourable Members will recall that on several recent occasions the Commission has indicated that it was in the process of preparing the draft Council directive on the protection of animals used for experimental and other scientific purposes, which was first requested by Parliament in May 1984.

I am happy to tell the House that the Commission has adopted the draft directive in question and is in the process of forwarding it to the Council and Parliament for urgent consideration. I have, of course, been aware of some frustration over the delay in preparing the draft directive, but I believe that the time has been valuably spent, because I believe that we have got the policy right.

The present proposal for a directive on the protection of animals used for experimental and other scientific purposes seeks to embody, within the framework of Community rules, the principles, objectives and main elements which are to be found in the European Convention for the protection of vertebrate animals used for experimental and other scientific purposes.

¹ *Topical and urgent debate (announcement):* see Minutes.

² See Annex.

Clinton Davis

The present proposal has the great advantage of making the rules legally enforceable. It also introduces certain additional and important features which are specific to the European Community — for example, the requirement for prior notification of animal experimentation, the prohibition of experiments on endangered species, rules for avoiding the infliction of pain and suffering, or for eliminating unnecessary duplication of tests — all of which will provide additional guarantees as to the protection of animals.

I would also like to inform the House that at the same time the Commission adopted a draft Council decision relating to the signature by the Community and the Member States of the European Convention. As honourable Members will know, that convention was adopted by the Committee of Ministers of the Council of Europe on 31 May 1985 and was open for signature by Member States of the Council of Europe and by the European Communities as from 6 December 1985. In the Commission's view, these two proposals are closely linked. Signature and subsequent conclusion of the convention by the Community must be seen in the context of the adoption of strong and coherent Community rules in this field, which, as honourable Members will fully appreciate, is a matter of great and growing concern to the people of Europe.

14. Question Time

President. — The next item is the first part of Question Time (Doc. B 2-1257/85).

We shall begin with questions to the Commission.

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Question No 1, by Mr Marshall (H-233/85):

Subject: Broadwater Farm Youth Association

The application by the Broadwater Farm Youth Association in the London Borough of Haringey for assistance from the Social Fund has been refused. In view of the difficulties of those living there and the pioneering work of the Youth Association can the Commission explain this decision?

Mr Sutherland, Member of the Commission. — The operation which the honourable Member refers to concerned 150 young people living in Haringay, an area of high unemployment. Unfortunately, the application did not meet the criteria for priority funding laid down in the guidelines for the management of the European Social Fund which were in force in 1985. As an eligible but non-priority operation, it had to be refused for lack of appropriations. The application was submitted under the guideline giving priority to local

employment initiatives but it did not fulfil either of the requirements of the particular guideline. The aim to create additional jobs was not clearly indicated and, on the other hand, the criterion of integration of disadvantaged people was not met because the participants of the group were not sufficiently identified. The Commission services' recommendation for a non-priority classification was not contested during the consultations with the responsible government authorities and the European Social Fund Committee which took place after the initial adjudication had been completed.

Mr Marshall (ED). — I would point out to the Commission that a further application has been made in respect of 1986 and that this particular part of London has experienced a number of great difficulties in recent weeks which will be well-known to Members throughout this House. Therefore, may I ask the Commission to look very favourably on the application for 1986?

Mr Sutherland. — First of all, I recognize the particular problems of the area concerned, and those problems will, of course, be amongst the considerations taken into account by the Commission in its evaluation of 1986 applications. The process of examining the 1986 applications has begun, but it will be appreciated that it would be premature for me to make any definitive statement in regard to them. The 1986 guideline for local initiative contains an additional condition limiting priority to certain regions. I can, however, assure the honourable Member that I will examine this application, like other applications of its kind, which I think are of importance, and that it will be given full consideration.

Mr Hughes (S). — The Commissioner was right to mention all the details he did, including the pressure upon the Social Fund. Would he also admit that arbitrary criteria and political considerations enter into the allocation of Social Fund monies? In particular, would he admit that the recent allocation of money from the Social Fund's anti-poverty programme had little or nothing to do with obvious levels of deprivation in areas of the Community and thus excluded County Durham in England, one of the Community's most deprived areas?

Mr Sutherland. — I most definitely do not agree that arbitrary criteria or political considerations enter into an evaluation by the services of the Commission. That is not the case and will not be the case as long as this Commission is in office. It has not been the case on any occasion as far as I am aware during the period of office of this Commission, or indeed of any other one for that matter.

With regard to the issue of the poverty programme, I think that that would more properly be addressed in a

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separate question. This question relates to the Social Fund and the application of the Social Fund to a particular scheme.

President. — Question No 2, by Mrs Lemass (H-269/85):

Subject: Applications for social fund aid for women

Will the Commission provide information relating to the numbers of projects concerning women which were submitted by Member States and which were selected for aid under the Social Fund since it has been noted that for one year West Germany received 57% of all the funds under this budget, followed by France and Italy, while Ireland, Belgium, the Netherlands and the UK drew only marginal amounts?

Mr Sutherland, Member of the Commission. — The Commission is providing the honourable Member with a full set of tables showing the distribution in 1984, the last year for which we have full figures, of the European Social Fund appropriations allocated to operations benefiting women and men respectively. The tables do not indicate the number of projects concerning women as, because of the grouping of applications by certain Member States, it is more meaningful to indicate the amounts approved or the number of beneficiaries of each type of operation.

Of particular interest are the operations grouped under the heading F1 of the 1984 to 1986 guidelines for the management of the Fund. These are operations designed especially for unemployed women, women threatened with unemployment and those who are under-employed or wish to return to work. The aim is to promote desegregation in occupations where women are under-represented. In addition, as a comparison of the tables shows, the number of women in relation to total beneficiaries of operations financed by the Fund totals some 36%, whilst the appropriations allocated to women represent approximately one-third of total Fund expenditure.

I should point out that this represents an increase over previous years and that there has been a steady increase over the last number of years. Whilst the Commission is not satisfied with the total figures that have been achieved to date, there has been progress. As I have said, I will make available a full table of the actual information to the honourable Member. For me to read it into the record now, I think, would take an excessive amount of time.

Mrs Lemass (RDE). — I would like to thank the Commissioner most sincerely for that very extensive reply. I look forward to getting that sheet and studying it in detail.

I realize that the Commission is not in a position to instruct national parliaments as to which projects they select for aid from the Social Fund. Is it the view of the Commission, however, that some very good ideas submitted by women individually and in groups are not given the same consideration as some projects that are submitted by men? Does the Commission think that this is because senior personnel in government departments and national institutions are mostly men, that sometimes they are of the opinion that women are not capable of submitting a worthwhile project or making a success of it and that they occasionally, to put it no stronger than that, give the man who is promoting such a project more of a say and more of a hearing than they give to the women?

Mr Sutherland. — The honourable Member I think will understand that I would find it difficult to conjecture as to the reason why the total number of applications on behalf of women has been less than satisfactory. It is not considered satisfactory that the total number of applications relating to women amounts to only 36% of the Fund availability, notwithstanding the particular designation which should favour women applicants for assistance in this area. Certainly, many good ideas are put forward by women's organizations throughout the Community and one hopes that there will be increased emphasis on this particular area of activity as far as applicants, namely the Member States, are concerned in the future.

Mr Hindley (S). — I welcome the statement from the Commissioner that there has been an increase in applications by and grants to women. But he has not gainsaid the statement here that the UK drew marginal amounts. I wonder if he would comment on the fact that the UK is one of the most successful applicants for Social Fund money, but seems to be drawing little of that money for women's projects. I wonder if he would speculate why. My own theory of course, would be that it is no doubt due to the discouraging influence exerted by a Tory Government over those projects, but I would be interested to hear what steps the Commission is intending to take to encourage Member States to increase the number of schemes from women's projects.

Furthermore, would the Commission consider circulating at the end of each year a list of good practices and exemplary schemes for women's submissions to the Social Fund so that Member States could be in a better position to make submissions themselves?

Mr Sutherland. — If I could take the final point first. With regard providing a list of good practices and exemplary schemes, I think that there would be some difficulty in doing so in view of the existing practice which is to devise schemes for the assistance of Member States in the operation of guidelines. The guidelines themselves, I think, should give a sufficient poin-

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ter, ideally, to the Member States to identify the types of scheme which would be eligible for assistance under the Social Fund. I think that providing any additional indications of exemplary schemes might be taken in some sense to be an amendment of the guidelines themselves, which I think should be comprehensive.

With regard to the first point that was made, under F1 in 1984 which is the heading directly applicable to schemes relating to women, the United Kingdom, I think, obtained 4.37 million ECU, or 28% of the total aid granted, in comparison with Italy, for example, which received 3.5 million ECU, or 22.54%, and the other countries, I think, followed with smaller sums. In fact, the take-up as far as the United Kingdom has been concerned under that particular heading, was quite high.

It is to be noted more generally in regard to the take-out from the Social Fund that the percentages in national terms — something which I think we should generally eschew in discussion since it is not a programme based on national quotas, but on analysis of schemes — have varied from year to year. For a number of years, it is true, the British take up was quite high and I think that the figures have been equalized significantly over the last 12 months.

Mrs Maij-Weggen (PPE). — (NL) I should like to ask a question about the participation of women in European Social Fund projects. The Commissioner said that applications relating to women amounted to 36% at present. I know the figure was 30% six years ago, so we are making progress at 1% per year. At that rate it will take until the year 2 000 before the ratio actually reaches 50:50. The Committee on Women's Rights once proposed that it be made compulsory for the Member States to ensure that the ratio in these projects was 50:50. Why can the Commissioner not send a letter to the Member States saying that this aspect will be considered in the assessment of applications? The Member States simply must ensure that enough women take part in the projects, because I know from experience that, if this is not made a requirement, the ratio is usually about 40:60 or 20:80. If, on the other hand, it was made a requirement, special campaigns would be organized in the Member States and enough women would apply to participate in the projects. My question, then, is this: why does the Commission not at last implement the proposal which the Committee on Women's Rights has already made three or four times?

Mr Sutherland. — I think that Mrs Maij-Weggen will be well aware of the importance that the Commission consistently attaches to assisting women in the matter of training schemes. It is quite evident, from the Thirteenth Report on the activities of the Social Fund for the financial year 1984 for instance, that the Commission does, in fact, attribute considerable importance to

this issue and, taken in conjunction with the emphasis given to women's issues by a particular line in the guidelines this is itself significant evidence of the impetus which the Commission would wish to see behind this issue. It is one which is constantly in the forefront of the minds of those concerned with the administration of the Social Fund and it is something which all the Member States are aware of. I don't think that the Commission can do more.

As I have said, there are specific guidelines which are particularly applicable to the interests of women and which could and should be used by the Member States to take up funds which are available for this purpose.

President. — Question No 3, by Mr Barrett (H-435/85):

Subject: MFA and Ireland

According to the reply given by the Commission to Written Question No 1406/84 on the MFA,¹ developing countries subject to EEC commercial policy increased their exports to the Community by 30.9% in volume terms in the period 1977 to 1983. Can the Commission estimate the impact on Ireland's textile industry and employment of the increase in imports of all MFA products during this period and to date?

Lord Cockfield, Vice-President of the Commission. — For the Community as a whole, the increase in imports of textiles in clothing originating from developing countries subject to EEC commercial policy for the period 1977 to 1983 was, as the honourable Member says, 30.9% in volume terms. The corresponding figure for Ireland was 31.5%. For 1984 the increases were 10.7% for the Community as a whole and 4.6% for Ireland. The relatively sharp increase in Community imports in 1984 was due to a recovery in demand across the Community which resulted in an increase in production and in imports.

The level of employment in the textiles and clothing industry during this same period fell by 21% in Ireland and by 24% in the Community as a whole. For 1984 employment fell by 2.3% both in Ireland and in the Community as a whole.

Mr Barrett (RDE). — I would like to thank the Commissioner for his reply. It is encouraging to know that the trend changed in 1984 from previous years. Could I ask the Commissioner if he is hopeful that the Multi-fibre Agreement will be renewed in the course of 1986 in order to protect employment in the Community, even if that protection has to be given at the expense of imports from any country?

¹ OJ No C 111 of 6. 5. 85, p. 20.

Lord Cockfield. — I entirely appreciate the difficulties faced by the textile trades. Indeed, when I was a Minister in London, this was one of the subjects which fell within my area of responsibility. I can assure him that negotiations for the renewal of the MFA will be undertaken in 1986, that is in the coming year. The precise terms of the renewal will inevitably depend on the outcome of the negotiations. But I share his view about the importance of these arrangements.

Mr Hoon (S). — Would the Commissioner confirm that the Commission has had some difficulty in obtaining a united and consistent line in the Council of Ministers on the question of the renewal of the Multifibre Agreement? Would I be correct in assuming that the major stumbling-block has been the United Kingdom Government, which has been reluctant to see the arrangement renewed, notwithstanding the devastating impact that this would have on employment prospects in Britain and the Community?

Lord Cockfield. — It is not for me to speculate upon the feelings in the Council of Ministers, upon the part played by individual countries or upon their motives. My own view is that the Member States as a whole, in total and separately, support the renewal of the MFA. Inevitably, there are differences of emphasis as between individual Member States. That is natural enough, and one would expect ultimately that agreement would emerge on the terms which were to be the subject of negotiation.

Mr Schleicher (PPE). — (DE) May I ask whether there are tendencies within the Commission in favour of not renewing the Multifibre Arrangement? Or can you give me an unequivocal assurance that no such tendency exists? If the Multifibre Arrangement is renewed, will the Commission be prepared to improve it qualitatively? By that I mean reciprocity of agreements on traded goods with the developing countries.

Lord Cockfield. — With respect, Mr President, I have already answered that question. It is the firm intention that the MFA should be renewed, but the precise terms which ultimately emerge are the subject of consideration and will, of course, be subject to the negotiations which take place with the individual States with whom the agreements are made.

Mr Christiansen (S). — (DA) I understand that it is at all events the Commission's view that a new Multifibre Agreement must come into being. I should like to ask the Commissioner whether he does not think that it is important in this connection to stick firmly to the view that it should be an interim arrangement as a move towards free world trade, when it is a question of textile products.

My second question: does the Commissioner think that developments are so far advanced that a new Multifibre Arrangement should include a special contract to establish equal conditions of competition in accordance with the ILO's declaration on organizational and trade union freedom and ban on child labour — factors which many believe contribute to the distortion of competition between the developing countries and the industrialized countries?

Lord Cockfield. — While inevitably there is discussion and speculation on these matters, I do not think it has ever been seriously suggested in any quarter that the MFA would be abandoned on this occasion. It is perfectly true, as the honourable Member says, that the MFA was conceived as a temporary arrangement to allow readjustment to take place in the textile industries of the developed countries. A great deal of reconstruction has taken place, but I think it would be right to say that the universal view is that renewal of the MFA still remains essential.

So far as the other points raised by the honourable Member are concerned, I am well aware that they have been raised in a number of quarters. They are clearly matters to which attention will need to be paid.

President. — Question No 4, by Mr Lalor (H-444/85):

Subject: Coastal erosion

Will the Commission indicate what action it is taking at present at Community level to counter the problem of coastal erosion experienced in many Member States and will it further state if it intends at this late stage to put forward special proposals backed up with the necessary funds to deal with coastal erosion?

Mr Clinton Davis, Member of the Commission. — The Commission is well aware of the concerns that have been expressed in the past by a number of honourable Members, and most notably by Mr Lalor himself, about the phenomenon of coastal erosion.

As he will be aware, the Regional Fund can and does subvent coastal protection works if they form an integral part of a larger development project or programme eligible for assistance from the Fund. For example, there have been 35 such projects in Italy, while in France the Community has spent FF 1.2 million in Brittany on harbour protection. In the United Kingdom there have been 30 projects, notably at Scarborough, where there has been a programme of cliff stabilization, in Dyfed, where there has been provision for sea defences, and in the Western Isles, where there has also been provision for sea defences.

Moreover, while coastal protection and soil conservation infrastructures with an exclusively agricultural

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content are excluded from assistance from the Regional Fund; they can be financed under the EAGGF. Taken as a whole, Community policy does respond actively to the dangers of coastal erosion, which, in the view of the Commission, cannot be regarded as a separate issue but rather as a particular aspect of regional policy.

Mr Lalor (RDE). — While I thank the Commissioner for his frankness in dealing with this issue and for the information that there were 35 projects grant-aided in Italy and 30 in the UK, did his Commission files record any occasion upon which any grant whatsoever was allocated to the island of Ireland? Has he any application in his files from the Irish Government for a grant for any anti-erosion protection along the Irish east coast or for a grant towards the necessary repair work on the Bray promenade in County Wicklow, on Rosslare strand, County Wexford or on the Clogherhead harbour wall in County Louth? Has any application been submitted from the Irish Government for any assistance to guard against coastal erosion along an east coast of Ireland which is actually being eaten away?

Mr Clinton Davis. — The honourable gentleman will realize that detailed information on applications under the Regional Fund would be a matter for my colleague, Mr Varfis. However, to the best of my knowledge and belief no such applications have in fact been made specifically for the purposes referred to by the honourable Member.

President. — Question No 5, by Mr Fitzgerald (H-466/85):

Subject: Technical literacy

To what extent are the educational authorities in each of the Member States taking action to ensure that their education curricula provide fully for the technical literacy of young people, which is becoming an increasingly important consideration if they are to have the qualifications and skills that employers now and in the future will expect?

In addition, is the Commission satisfied that teachers are being given the necessary opportunities to keep up with developments in the new technologies as their role is essential to the success of education in technical literacy?

Mr Sutherland, Member of the Commission. — It was Great Britain which, before any other Member State, launched a large programme for the introduction of NITs into schools. The programme is based on an extensive institutional network with posts in each region of the country. It consists of a transitional programme, the micro-electronic programme, which cov-

ers various aspects of the problem, in particular teacher-training, courseware and supply of hardware for schools. The chief aim of the programme is to establish a basis for a policy on the introduction of NITs in schools on the understanding that as the programme nears the end of its 4-year term, the local authorities will take over the responsibility for its development.

In France too a major programme on the introduction of NITs in schools has gradually been set up aimed mainly at courseware and teacher-training. A programme to supply schools with hardware is currently being implemented, its objective being to provide secondary schools with 120 000 micro-computers by the end of 1985. A majority of Member States currently have programmes aimed at providing schools with hardware, software and teacher-training [Germany, Belgium, the Netherlands, Italy, Denmark and Ireland].

Mr Fitzgerald (RDE). — Very briefly, may I ask the Commissioner if there is a uniform standard between each Member State and is there constant monitoring and vigilance by the Commission in view of the rapid developments of technology?

Mr Sutherland. — The Commission is concerned with monitoring and coordinating the schemes that are taking place and is doing so in a general sense in the area of new information technologies in the schools systems. As the honourable Member will be aware, the Commission has already produced a paper — a communication from the Commission to the Council — on 14 December 1984 on this matter and has conducted seminars, consultations and discussions with the relevant authorities in each Member State. On the other hand, as we are dealing primarily with a matter of national competence rather than one of Community competence, it is the case that different standards are applied in different Member States and that there are different approaches to the introduction of NITs throughout the Community. Insofar as it is possible to do so, the Community and the Commission in particular seek to act as a clearing house and an information centre in the area of new information technologies, teacher-training and new courses being applied in schools.

Mr Cryer (S). — While the Commissioner will readily acknowledge that it is an area of national competence, would he also accept that there will be considerable variation in standard, not least due to the stupidity and obduracy of Sir Keith Joseph who is sabotaging good relations in the teaching profession and placing teachers under very great strain although they have been doing everything possible to reach a settlement? I accept that it is an embarrassment to deal in any shape or form with the present Tory Government in the United Kingdom, but could he bring some influence

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to bear to try and get Sir Keith Joseph to enter into meaningful negotiations and to stop sabotaging education in the United Kingdom, gerrymandering the Burnham Committee and get him to try and bring information technology in the United Kingdom and the education and training relating to it up to the standards of the other Member States?

Mr Sutherland. — I was unaware of the fact that this question related to the teachers' strike in Britain. It does not appear to me to be appropriate or proper that I should make any comment upon the teachers' strike in Britain. Therefore, I would decline to answer that part of the question.

If there was another part to the question, it seemed to relate to the overall job of monitoring and control which the Commission does undertake. I should say that a programme of study-visits, including 46 study grants, for persons instructing teachers in new information technologies was in operation in 1984-85. A number of the visits took place in Great Britain.

President. — Question No 6, by Mr Wijsenbeek (H-494/85):

Subject: Training of translators and interpreters in Greece

Is the Commission aware that the Kemedi Institute for training interpreters and translators on Corfu, which was founded with EEC funds and where many members of the institutions' staff have been trained, and which has, moreover, made a valuable contribution to the technologically advanced 'Eurotra' project, has had its activities suspended by the Greek Government? What does the Commission intend to do about this?

Mr Christophersen, Vice-President of the Commission.

— (DA) I was quite bothered at not having an opportunity to answer my good friend, Mr Wijsenbeek, personally, but now I have a chance to do so. On the other hand, it is not an answer which he will find particularly encouraging, for he is asking whether the Commission plans to do anything about the Greek Government's action in transferring the Kemedi Institute to the Ionian University. Mr Wijsenbeek points out that the Kemedi Institute has performed valuable work in training interpreters and prospective interpreters. He is absolutely right, but the Community cannot interfere in a question of internal educational policy. It is an exclusively Greek affair. It is not correct, as Mr Wijsenbeek states in his question and in his basic assumptions, that the Community helped to finance the setting up of the Institute; it did not. It has merely paid the normal fees for the staff members taking part in courses. It is thus a change purely for reasons of Greek educational policy for which there are specific practical reasons. It is not for the Commission to comment on such changes and, in any case, the Kemedi

Institute is not the Commission's or the Community's partner in cooperation with Greece in this field. Our partner for cooperation in the so-called Eurotra project is the University of Athens.

Mr Wijsenbeek (L). — (NL) While it may be true that the Community does not provide direct financial support for this institute, I should like to ask the Commissioner if the Commission does not consider it extremely important for every Member State to have an institute of this kind — particularly for Greek, a difficult language in this Community — where appropriate and proper preparations can be made for linguistic integration where the translation problem is concerned and training is provided in the various languages, and does the Commission not therefore think the Greek Government should be urged to ensure that this institute continues its activities?

Mr Christophersen. — (DA) Certainly the Community wants to see good training facilities in all the Member States but it is not in a position to give instructions or to persuade the Member States to organize such training in a particular manner. This matter is not a recent development: preparations began as long ago as 1982 and 1983 to bring about the formal change which has taken place in the status of the Kemedi Institute. What has been done is to transfer its rights and obligations to the Ionian University — in other words its function as such has not been abolished. I readily agree with the philosophy that there should be such training facilities in all the Member States, but the Commission and the Community cannot dictate how the individual Member States should organize their educational systems; it is not the Community's business.

President. — Question No 7, by Mr Christiansen (H-521/85):

Subject: Finland

According to Danish press reports, during his official visit to Denmark in the middle of September 1985, the Finnish President, Kalevi Sorsa, informed the Danish Prime Minister, Poul Schluter, that Finland wanted to have closer relations with the Community. In view of Finland's external economic and political situation, what initiatives does the Commission intend to take to comply with this request? Does the Commission intend to strengthen cooperation with remaining EFTA countries once Spain and Portugal accede to the Community as expected on 1 January 1986? Will the Commission open information offices in Finland, Sweden Norway and Iceland? Will the Commission bring its influence to bear on, for instance, France with a view to offering Finland membership of the European Space Agency?

Mr Christophersen, Vice-President of the Commission. — (DA) Mr Hovgård Christiansen has put a question

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to me in which he seeks clarification of the Commission's view of the present relationship between the Community on the one hand and Finland on the other. He asks in that connection whether the Commission intends to strengthen cooperation with the remaining EFTA countries. As far as our relationship with Finland is concerned, the trend in exchanges between the Community and Finland has been very favourable. If we look at trade between the Community and Finland, we see that it has more than quadrupled since 1973, and there has been an increase in cooperation in other fields as well as trade. For example an outline agreement on research and development is soon to be concluded between the Community and Finland. In parallel with that Mr Hovgård Christiansen is no doubt aware that Finland has also been invited to take part in the Eureka project, and this will provide another plane of contact between the Community and Finland. But clearly the most promising developments have taken place through relations between the Community and EFTA, i.e. in addition to the purely bilateral cooperation better contacts have been achieved in a large number of fields through increasingly closer cooperation between EFTA and the Community. Amongst other things the Community has, together with EFTA, instituted studies of ways in which standards, rules of origin and administrative procedures can be streamlined in order to facilitate trade.

Mr Hovgård Christiansen also asks whether the Community has any intention or plans to open information offices, not just in Finland, but also in Sweden and Norway. I cannot promise that at the present time. The Community is keen to provide as much information as possible, but for the moment we have a budgetary situation which does not make it possible for the Community or for the Commission. This means that, until further notice, it is the Community's information offices in Copenhagen which carry this responsibility and which, by the way, perform very valuable services of information to the countries in question.

Finally Mr Hovgård Christiansen asks whether Finland had expressed the wish to join the European Space Agency. I can only reply that the Commission has no information to that effect.

Mr Christiansen (S). — (DA) I should like to thank the Commissioner for his answer. I am well aware that, also since I first tabled this question in September, there have been some positive developments, not least in relations with EFTA but also in our relationship with Finland. I just want to put a very brief supplementary question to the Commissioner. I fully understand that the Community has economic problems and that the Commissioner does not wish to make promises with regard to the establishment of information offices in the Nordic countries. But does he not consider it to be of value to the Community's continued development that — when the resources can

be found — independent information offices of the kind the Community has in a great many other countries should be set up, in order thereby to propagate knowledge of the Community's significance, not just in the Member States but also in those countries with which the Community has other forms of agreement?

Mr Christophersen. — (DA) The answer is yes.

President. — Question No 8, by Mr Rogalla (H-535/85):

Subject: Implementation of agreements on simplified customs formalities between France, Germany and the Benelux countries.

How does the Commission monitor the operation of the abovementioned agreements for the benefit of the citizens of the Community and what recognizable simplifications have been made in customs formalities? Can the attempt to simplify procedures be regarded as a success and, if so, in what respect — e.g. from the viewpoint of ordinary citizens travelling in the Community?

Lord Cockfield, Vice-President of the Commission. — The agreement between France, Germany and the Benelux countries was not concluded in a Community framework and is not, therefore, a matter which the Commission has the power either to supervise or enforce.

The agreement is welcome insofar as it provides in principle for unhindered frontier crossings between the States concerned by Community citizens in private cars with only occasional spot-checks. The Commission nevertheless considers that a more satisfactory solution lies in adoption of its own proposal for a directive, which would apply as between all Member States and would benefit travellers in the Community using the full range of available modes of transport. As my colleague Mr Ripa di Meana informed Parliament at the last part-session, we have made clear to the Luxembourg Presidency that the Commission regards the draft directive as amended by the Council as

'inadequate, ineffective and falling far short of the decisions reached by the heads of government at successive summits, of the expectations of the European Parliament and public opinion.'

We have made it clear that if the Council adopted the amended proposal, we would present a further directive to fill in some of the important gaps which the present compromise leaves.

Mr Rogalla (S). — (DE) The Vice-President has already made it clear that a conflict exists at different levels here. On the one hand there are relatively far-reaching agreements between particular Member

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States relating to road traffic, and on the other Commission proposals for a directive that will affect not only road traffic but also railways and other means of transport such as aircraft.

When can a supplementary proposal be expected from the Commission, and what action is the Commission taking to secure some movement from reluctant Member States on the basis of the experience of current practice? When, in other words, can the new proposal be expected, and how will it be applied to Member States so as to ensure that they take the relevant experiences into account, including that gathered on a purely bilateral basis?

Lord Cockfield. — I agree with the honourable Member that there are two possible approaches to this subject, first by way of bilateral agreement of the kind that is being entered into between France, Germany and the Benelux countries and, secondly, by a Community directive. We believe the Community directive is by far and away the best approach.

This does not mean that we do not regard bilateral agreements as being of value because any progress which is made is worthwhile. It provides experience and it points a direction in which further progress ought then to be made. So far as the new directive is concerned, the first thing to do is to await the final results of the Council's consideration of the directive which has already been seen and debated in Parliament. In the light of the form of the directive as finally adopted, we will then draw up a new directive which will be submitted to Parliament and to the Council in the normal way.

Mr Cryer (S). — Would the Commissioner accept, with his well-known enthusiasm for the removal of all frontiers, that neither he nor anybody else has produced any solution to the question which keeps being raised — not least by the Prime Minister of the government in which he was a member of the cabinet — how one can control increased drug smuggling, how one can control rabies and how one can control the spread of plant diseases if customs supervision and frontiers are entirely removed, as he wishes? Would he not agree that, for example, the construction of a Channel tunnel will vastly increase the difficulties faced by the United Kingdom Government in maintaining a policy — which presumably he supports because he was a member of the cabinet that maintained it — of keeping the United Kingdom free from rabies?

Lord Cockfield. — It was made clear in the White Paper that there were a number of problems, particularly in the field of terrorism and drug traffic, which would require very careful consideration before the full proposals in the White Paper were implemented.

The right thing to do is to consider from the very base what is the best way of dealing with these problems. If, for example, you were considering how to deal with the drug problem and assumed you had no frontiers to start with, would you end up by saying that the right solution to the drug problem was the creation of national frontiers? I very much doubt whether you would. In fact, most of the drug seizures are not made at national frontiers at all, nor are they made as the result of routine checks on every single person who goes from one country to another. I agree that these are very important problems, they need to be studied and they need to be studied with an open mind.

May I draw the honourable Member's attention to what happens in the case of foot-and-mouth disease? If there is an outbreak of foot-and-mouth disease, you quarantine the area in which the outbreak occurs. You don't suddenly quarantine the whole of the United Kingdom. There are, therefore, answers to these questions, and our job is not simply to pose difficulties — we are well aware of the difficulties — our job is to find the answers to those difficulties.

Mr Wijsenbeek (L). — Would the Commissioner not agree that by getting rid of internal frontiers, apart from the danger of Mr Cryer eventually being confronted with rabies he might also be freed from insularity which is a worse disease than rabies?

Lord Cockfield. — I note the honourable Member's intervention with interest and gratitude. I think the thing that we have to focus our attention on at the end of the day is the enormous benefit to the people of Europe as a whole in terms both of their standard of living and particularly of the question of employment. If we can only integrate the twelve Member States into a single great economy, the benefits available will be absolutely enormous. Our task is to ensure that those benefits are made available for all of our people.

President. — Question No 9, by Mr Habsburg (H-538/85):

Subject: Air traffic safety

The regulation that passengers are allowed to take only one item of hand luggage onto the aircraft is constantly being abused in almost all European airports.

Must there be a major disaster before this regulation, which is important for passenger safety, is actually applied and is the Commission prepared to urge the governments of the twelve Member States of the Community to ensure that this regulation is applied at their airports?

Mr Clinton Davis, Member of the Commission. — The House will be grateful to the honourable Member for

Clinton Davis

underlining again the question of aircraft safety. In answering a similar question from him earlier this year, I drew attention to the fact that the enforcement of aircraft safety regulations is the responsibility of both Member States and airlines operating under national and international rules. The Commission is fully aware of the potential safety risk of excessive hand-luggage. However, it is not so much a question of whether one or more pieces of hand-luggage are allowed as to whether hand-luggage can be stowed so as to avoid blocking evacuation routes. Indeed, one piece of hand-luggage can be as dangerous as several if the stowage facilities are inadequate. Thus, partly at least, the solution to the problem is to be found in improved aircraft design.

Nevertheless, I share the view of the honourable Member that safety rules must not be flouted. Accordingly, I propose to write to the European Civil Aviation Conference, where these issues are currently under discussion and where the Commission has observer status, in order to seek its comments.

Mr Habsburg (PPE). — May I thank the Commissioner very much for his detailed answer and especially for having given us that clarification regarding the size of the hand-luggage. My own observation has been that in fact the abuses have increased considerably in the course of this year, and therefore I would ask you whether you could please write to the authorities as soon as possible in order to get something done, because it is becoming a serious risk.

Mr Clinton Davis. — I have indicated that I will write to the ECAC, and I will send a copy of my letter to the honourable Member.

Mr Newmann (S). — Does the Commissioner feel that once time passes after an air disaster the important lessons that can be learned sometimes drift away from the public perception? That is why it is so important for organizations such as the Commission to use their weight and influence on Member State governments and international civil aviation organizations to keep these issues under public attention.

The reason why I say this is that it is less than four months now since the Manchester air disaster which occurred in my constituency and yet the lessons that were being discussed and were in the public eye immediately after that disaster with so many fatalities, are being forgotten.

Finally, on this particular question that Mr Habsburg raised, it is obvious to many of us Euro-MPs travelling on aircraft that there is an enormous hustle. Everybody tries to get his baggage onto the plane, and the one who is on there quickest gets it stored. If you do not get on the plane quickly, then you are cluttering up the aircraft and there is clearly a safety hazard. I do

not believe this assurance that people would be able to evacuate within 90 seconds. Does the Commissioner believe that assurance?

Mr Clinton Davis. — I share the view of the honourable Member that following almost any accident that one can think of, after a period of time has elapsed, there is a natural and regrettable inclination to relax. I think in this instance it is important to maintain the pressure of concern. To that end I wrote to Community Transport Ministers on 9 September 1985, as I had previously informed this House, indicating my concern, not only as the Commissioner with responsibility for transport but also as the Commissioner with responsibility for consumer affairs, about a number of matters, including tighter and more efficient security checks; the shutting off of emergency exits and the approval of large twin-engine planes, where I had some concern about the approval that had been granted; the configuration of seats; emergency evacuation procedures and the use of flame-resistant materials; the use of fuel additives; the removal of barriers to the exchange of safety information, and so on. Here I was merely iterating the concern of millions of people, not simply within the Community but in areas wider than that.

May I also add that as far as the last point is concerned, I was deeply concerned about a public row, an unseemly row, that took place between the chairman of Britain's Civil Aviation Authority and the Federal Aviation Authority of the United States over the question of exit doors being blocked on Boeing 747 jets. Contrary to the view of Mr Dent, the chairman of the Civil Aviation Authority, I believe that public pressure is important. It seems quite wrong that the public should be exposed to unseemly quarrels between two such important aviation authorities as this. I hope they will compose their differences very shortly.

Mr Wijsenbeek (L). — Does the Commission not think that it matter of educating the public and providing more space in aircraft as such than of trying to control, in the congested areas that airports are, the behaviour of passengers?

Mr Clinton Davis. — These matters are not mutually exclusive, and one has to consider every aspect of safety. Certainly that is the obligation of the authorities who are primarily concerned with producing the rules necessary to ensure the highest standards of safety.

Mr Cornelissen (PPE). — (NL) At most airports hand-luggage is checked electronically and passengers are required to pass through a gate equipped with a buzzer.

My question is this, Mr President: is the Commissioner prepared to comment on the reports heard here

Cornelissen

from time to time that these checks are inadequate, that luggage may therefore contain things which are not detected electronically and that the buzzer does not react to every metal object carried by passengers? I should like to hear the Commissioner's comments on these reports, which recur with some regularity.

Mr Clinton Davis. — As indicated in my earlier answer, one of the points that I raised in my letter was the question of tighter and more efficient security checks. I have in fact received helpful replies from a number of ministers who are referring my concerns to the regulatory authorities.

I have to point out to the House, however, that my rôle is simply to express some concern in the hope that progress in matters which are causing anxiety will be achieved. The Commission is not a regulatory authority: I think that the honourable Member must recognize that.

Mr Seligman (ED). — This is obviously a question which provokes a lot of interest, because we all really know what is going on from personal experience.

But it has always mystified me that the duty-free packages you take on a plane are not limited in size or quantity and are not treated as baggage. Could it not be considered that some special area should be allocated on the plane for these duty-free goods? Alternatively, why shouldn't duty-free goods be issuable at the airport of arrival rather than on departure from another airport? Some system like that might well overcome this problem, because that is the main problem on aeroplanes.

Mr Clinton Davis. — I share some of the views expressed by the honourable Member, but of course there is at the moment a reluctance on the part of some of the airport authorities to adopt the procedures that he has favoured. Nonetheless, I think there is some force in them. I hope that those ideas to which I have myself alluded as well will be appropriately considered.

President. — Question No 10, by Mr Elliott (H-576/85):

Subject: Non-European mother-tongue language

In response to an earlier question asking the Commission to ensure that its information offices in the Member States make available general publicity material (not every official document) in the most commonly used of the non-European minority mother-tongue languages spoken by millions of residents in Community countries, a reply was given that this was not practical because of translation problems arising from the multiplicity of such languages.

Is the Commission aware that, although it may be true that 217 different languages are spoken in India alone, many of these are very similar and the vast majority of Community residents of Indian origin would understand one of the three languages, viz. Punjabi, Urdu and Hindi, and that with these and only three more, i.e. Chinese, Arabic and Turkish, most residents of non-European origin would be catered for? Moreover, could the Commission not make available for non-European residents in Community States the publicity material it already produces in non-European languages for distribution in third countries and will the Commission further state if it will undertake to make use of the many non-European language newspapers and magazines published in Member States, for its own press statements and job-advertizing?

Mr Clinton Davis, Member of the Commission. — The honourable Member raises a number of important points about the need for the Community to communicate effectively with those citizens whose mother tongue is non-European. In too many parts of Europe such citizens are already isolated enough, frequently excluded from employment and good housing and frequently exposed to racialism and xenophobia. Anything which Community institutions can reasonably do to bring the Community closer to such people must be undertaken.

The honourable Member will be aware of the very steep costs involved in translating written material. In the Commission alone there are some 1 200 people employed in the translation service, that is to say, employed in translating Community languages. In these days of severe budgetary restraint we cannot anticipate that this service will be expanded. Nonetheless, the Commission welcomes in principle the two suggestions made by the honourable Member, but in one case we believe that what he proposes is not feasible. The Commission's press and information offices in non-member countries are continually preparing material for publication in local languages. This material is tailored to local requirements and therefore would have a very limited value were it supplied to people who speak those same languages in Member States.

In the second case where he recommends that press statements and job advertisements be translated into the appropriate non-European languages, the Commission undertakes to look closely to see what possibilities there are for doing this. My colleague, Commissioner Ripa di Meana, who is responsible for this matter and on whose behalf I am replying today, will write directly to the honourable Member after the matter has been fully considered.

Mr Elliott (S). — I am most grateful to the Commissioner for that very helpful answer. I am really most delighted that some of the substance of my question

Elliott

has provoked the response he has given. May I just say that as regards the Commission staff who prepare documentation for countries outside the Community, whilst I appreciate his comment that the actual material prepared might not be of very much value to people living within the Community who speak those languages, the fact is that there exists there a resource in terms of translators, people able to translate into those languages and I would hope that this could be used.

I am certainly not asking that every document the Commission produces should be made available in non-European languages. Far from it. I am talking of a very limited number of publications that really inform people about the work of the Commission. That is all I am asking for.

In more general terms, I welcome his assurance that the Commission takes this point on board because we have ten-year-old directives covering the promotion of mother tongue teaching for people of non-European origin living in Member States as well as those living in one Member State who come from another. Those directives have not been properly implemented, but their spirit is to encourage the continuance for these people of their cultural and linguistic heritage. Unless we care about the continuance of that heritage that they wish to maintain, we are doing them a grave disservice. But in general terms, I must say I am very pleased with the answer.

Mr Clinton Davis. — I am grateful for the observations of the honourable gentleman. I will report what he has said to my colleague. I think that one could certainly look with favour at the idea of an exchange of suitable material to meet the point that he initially referred to.

As to the question of the resource of translators as he put it, there is such a resource outside the scope of the Commission itself, namely, education authorities, local authorities, private organizations and we would hope that suitable documentation received from the Commission could be translated where appropriate by them so that as much information about the Community could be disseminated as widely as possible.

Mrs Viehoff (S). — (NL) I am well aware of all the financial problems to which this kind of thing gives rise, but to my knowledge neither Parliament's nor the Commission's information offices at present keep material in the various Community languages. I will take my own country as an example: there are quite a few Italian and Greek migrant workers in the Netherlands, but as far as I know, there are no brochures at all in Greek or Italian. Spain will be acceding shortly, and we shall then have to have information material in Spanish. That should certainly be the case in the countries with a relatively large number of Spanish-speak-

ing migrant workers. I quite appreciate the problem of also providing information in Turkish and various other languages, but I do feel that, if we believe migrant workers should participate in our elections, they should at least be put in a position to take note of the things we consider important enough to be brought to the attention of the public. Otherwise they will not know what they are supposed to be voting for.

Mr Clinton Davis. — I agree that all relevant information concerning the work of the Community should, as I said before, be disseminated as widely as possible. But there has to be an order of priorities about this and there has to be regard also to budgetary constraints. Nonetheless, in principle I accept what the honourable lady has said.

Mr Christopher Jackson. — The Commissioner several times referred, quite naturally, to the budgetary restraint on translation services. Is he aware that a study has shown that the use of external translation services could save 80% of the expenditure currently incurred on this and will the Commission agree to re-examine the possibility of using these external services to a much greater extent in order to save funds, possibly thus aiding Mr Elliott's request?

Mr Clinton Davis. — That is a matter, of course, for the Commissioner concerned rather than for myself. But I am sure that if there is any effective way of saving money that will not be a matter that the Commissioner will lose sight of.

President. — As the author is not present, Question No 11 will be answered in writing.¹

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Question No 12, by Mr Christopher Jackson (H-582/85):

Subject: Lack of staff

I understand that the Commission has undertaken to administer substantial development funds from the budget of the Italian development budget. In view of the frequent complaints by the Commission regarding the lack of staff, can the Commission give details of the management fee they expect from the Italian authorities, and whether this can be applied to hiring new, perhaps temporary staff, to deal with the extra load?

Mr Natali, Vice-President of the Commission. — (IT) The agreement on the cofinancing of projects, which was concluded on 12 July 1985 between the

¹ See Annex 'Question Time'.

Natali

Commission and the Italian Ministry for Foreign affairs, formalizes and simplifies the existing cofinancing procedure, so as to improve coordination in the administration of aid.

This agreement should be seen against the background of proposals that were long since put forward by the Commission and, above all, the Council's resolution of 5 June 1984 on the improvement of coordination of aid, a resolution that recommends the systematic recourse to cofinancing between Member States and the Commission.

The agreement does not provide for the payment of administrative fees to the Commission, since they are cofinanced operations that involve financial and administrative contributions from both parties.

An agreement of this kind does not involve administrative costs of any size for the Commission, insofar as the Italian funds in question fall under the heading of aid that is in any event the subject of a directive and is managed for its own account as own resources.

Mr Christopher Jackson (ED). — I am grateful for the Commissioner's reply because I too very much favour coordination. May I ask him, however, whether the Commission is willing, through cofinancing, to manage substantial aid funds for other Member States on request without charge? Does that imply that there is significant spare capacity available for such management in DG VIII which would seem to contradict what we have heard, i.e. that DG VIII is very hard-pressed in terms of staff?

Mr Natali. — *(IT)* I told you that our policy is to endeavour to achieve maximum co-ordination between Community policy and that of Member States. We have expressed the hope that it will be possible to do more; we would always be prepared to conclude the same sort of agreements with other Member States. I must also say to Mr Jackson that, as far as the problem of the administrative structure of DG VIII is concerned — which is a problem that he is well acquainted with — we are in perfect agreement on the question of finding some additional manpower, but this quite independently of the policy aimed at developing cofinancing agreements.

Mr Wijsenbeek (L). — *(NL)* Does the Commissioner not think that it is because each of our Member States pursues its own development policy that we have more staff dealing with development aid in the various countries than we would need if we increased our joint efforts somewhat and placed more emphasis on a common development policy, and that the Member States unwilling to coordinate their policies are therefore largely to blame for the shortage of staff at the Commission?

Mr Natali. — *(IT)* Mr Wijsenbeek, I should like to emphasize, very frankly, that one of the objectives on which our sights are set is the achievement of maximum coordination between Community development policy and the policy of Member States. Obviously, I am not in a position to be able to judge the structure of Member States

(Interruption in Italian by Mr Wijsenbeek; 'Why not?')

I am very grateful for his interruption in Italian. You are showing a knowledge of various Community languages; earlier, you also spoke in French! Obviously, I think the time will come when we ought to examine, and will be in a position to examine, the possibility of making the maximum use also of the structure of Member States.

IN THE CHAIR : LADY ELLES

Vice-President

President. — Question No 13, by Mr J. Elles (H-583/85):

Subject: Wine market

Decisions by the Council of Ministers concerning changes to the wine market in March 1985 were highly unsatisfactory to Parliament. One of the aspects not taken up in the conciliation procedure on 25 March 1985 concerned phasing out the practice of adding sugar to wine. In the light of current budget restrictions, does the Commission believe that the Community should wait until 1990 before a report is produced by the Commission as foreseen in paragraph 1 of Article 33 bis of Regulation 337/79; should action not be taken before then to stem the tide of this increasingly costly and distortive measure?

Mr Sutherland, Member of the Commission. — In 1978 the Commission already stated that 'the prohibition of sucrose for enrichment constitutes the objective to be achieved'.

It has since laid proposals before the Council to this effect. The Council has never accepted the Commission's position, arguing that verification of the use of sucrose raises insoluble problems and that the use of rectified concentrated must instead of sucrose should not denature the wine. In 1985 the Council asked the Commission to make a study of these aspects and to report in 1990. More recent studies have shown that before the end of 1988 a method of detecting sucrose could be available and that the denaturing argument can no longer be accepted. The Commission takes the view that these studies provide important contributions for the conduct of the study requested by the Council

Sutherland

and that it does not rule out the possibility that the results could be laid before the Council before 1990. Further, the Commission can only recall the proposals made in 1983 and 1984 which provided for limitation of the use of sucrose to a fixed quantity with prohibition from the 1990 harvest onwards. As an offsetting measure, the aid to concentrated must should be limited to reasonable corrections of the harvest and be discontinued altogether in 1990.

Mr J. Elles (ED). — I should like to draw the Commission's attention to the fact that this regime of sugaring wine cost 30 million ECU in 1982, 127 million ECU in 1984, will cost 200 million ECU in 1985 and probably about 400 million ECU by the end of 1987. Will the Commission please take upon itself to put a commitment in the prices package, and put forward proposals before 1990 to make sure that this waste of Community money does not continue and that we have a proper regime which operates at Community level?

Mr Sutherland. — It is impossible to make any absolute commitment at the present time with regard to the report. The Commission has not yet started its final consideration. The price package does not exist. However, it may be possible to report earlier than 1990. 1986 would appear to be premature, but we are looking at the matter as one of some urgency and one which we will try to proceed with at an early date.

President. — The first part of Question Time is concluded.¹

15. VOTES

Second report (Doc. A 2-163/85) by Mr F. Pisoni, on behalf of the Committee on Social Affairs and Employment, on the proposal from the Commission to the Council (COM(85) 451 final — Doc. C 2-86/85) for a regulation amending Regulation (EEC) No 2950/83 on the implementation of the Decision 83/516/EEC on the tasks of the European Social Fund.

Mr Sutherland, Member of the Commission. — With reference to the amendments which have been tabled, Amendments Nos 1 and 2 are acceptable to the Commission.

Amendment No 3, has the word 'new' in the sentence which reads 'Assistance for the creation of jobs for self-employed persons may be granted only if this type of expenditure falls within the framework of new and specific national measures capable of combating

unemployment', the Commission would suggest that this word 'new' should be excluded.

With regard to Amendment No 4, the Commission is willing to bring this matter to the attention of the Council. However, I would point out to Parliament that since November a new element of consideration has entered into the discussion and should be accepted, I think, as modifying the previous situation. The concern of the rapporteur — which I share and which the Commission has expressed its agreement with — is to ensure that there is equity between all Member States in the application of the revision of the Rules in favour of the self-employed. It was felt that equity could not be achieved in 1986, given that some Member States had put forward schemes and others had not and that the deadline for applications had already been passed on 21 October. However, last week the Council of Ministers, in a policy statement on this matter, seemed to accept unanimously that if the date of 31 January next was acceptable as the date for applications, and no Member State would be treated unfairly. I would like to bring that matter to the attention of Parliament.

Mr F Pisoni (PPE). — (*IT*) Madam President, I wish to point out to the Commissioner that what has been said is not entirely accurate, because in the text of the amendment that was approved in the previous part-session the word 'new' was already removed, and therefore his observations regarding this adjective 'new' have no point. The wording only refers to 'specific measures': and that is my first observation.

I should then like to point out that we have had a meeting between the Committee on Social Affairs and the representative of the Commission. At this meeting we clarified the scope of the amendment, and a new form of words was accepted as satisfactory by both institutions. We therefore consider that if the Commission will accept this sentence — 'during the initial stages of the development of the undertaking that receives such aid' — it will conform to what Parliament intended and at the same time will resolve the difficulties that were understood to exist in the text.

Today, however, the Commissioner put forward a third observation that was not made on the last occasion, because we asked for this extension to be made effective from 1 January 1987, and we ask the Commission to accept it as it did on the previous occasion. That the Council, in an interim position, as it were, should have made different observations, is something that we can do nothing about. We can however ask, and do in fact ask, the Commission to stand by what it has already declared to be acceptable, and hence to say that it accepts Parliament's position, seeing that we have heeded the concern of the Commission, and that the new text reads just as if the Commission itself had drafted it. I should like the Commission to give us this assurance, after which we can proceed to vote.

¹ See Annex Question Time.

Mr Sutherland, Member of the Commission. — I wish to make clear to the honourable Member the position as it has developed since the last occasion that this matter was mentioned. I think it would be disingenuous of me not to explain that at an informal gathering the Council unanimously indicated acceptance of a certain position in regard to 31 January of next year as being appropriate. The Commission will, of course, repeat and report on the views expressed by Parliament and the position taken by Parliament. I have already indicated the position the Commission has taken in its past discussions with Parliament.

Explanation of vote

Mrs Cassanmagnago Cerretti (PPE), in writing. — (IT) The proposal to extend assistance from the European Social Fund so as to include self-employed workers deserves our full support.

It is in fact essential to get away from the purely assistential concept of aid and concentrate the Fund's measures on all those initiatives that are capable of creating new jobs quickly (small and medium sized business, cooperatives, self-employed activities).

That obviously calls for an adequate financial allocation and better concentration of the measures.

From the information available to us on the aid that has been provided there has clearly been considerable dispersion of effort; it is therefore essential to set a few, clear priorities.

Increasing the job opportunities for the young unemployed means effectively giving the young specialized training and equipping them for a specific job in a firm that needs to recruit a qualified employee; it also means making firms more competitive, by providing internal training for employees who ought to master major technological innovation in both production and management.

In this way jobs are consolidated that would otherwise be precarious, since the firm itself, if it did not keep properly abreast of change, would lose its market and be overtaken by crisis.

Priority ought also to be given to the reorganization and conversion — even in those regions of more advanced industrialization — that have still to be implemented and that, in certain sectors, will be dramatic; vocational training ought to make it possible for many employees to change their trade, relinquishing skills that cannot any longer survive.

When it becomes no longer possible to satisfy all the demands made on it as a result of these priorities, the Social Fund ought to be in a position to apply a very strict selection process, giving preference to those pro-

jects that are most likely to create jobs for the young, to improve competitiveness generally, and, hence, to help consolidate employment.

Finally, the European Parliament sends out a call to individual firms and both sides of industry, asking them to consider vocational training as a strategic investment on which our ability to face up to the substantial changes in the labour market in future years depends.

(Parliament adopted the resolution)¹

Report (doc. A 2-152/85) by Mr Normanton, on behalf of the Committee on Budgets, on the proposals from the Commission

I. for a draft regulation laying down detailed rules for the implementation of certain provisions of the Financial Regulation of 21 December 1977 (COM(80) 431/3 — Doc. 1-431/80)

II. for draft amendments to certain articles of the draft regulation laying down detailed rules for the implementation of certain provisions of the Financial Regulation of 21 December 1977 (COM(85) 337/2 — Doc. C 2-61/85): adopted²

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Report (Doc. A 2-101/85) by Mr Nordmann, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the proposal from the Commission to the Council (COM(83) 787 final — Doc. 1-1363/83) for a directive on the approximation of the laws of the Member States relating to cocoa and chocolate products intended for human consumption.

After adoption of the amended Commission draft

Mrs Boot (PPE). — (NL) Madam President, I should just like to ask if the Commission finds the amendments acceptable.

President. — I think, Mrs Boot, that under the Rules of Procedure only the rapporteur or the chairman of the committee responsible is entitled to put that

¹ The rapporteur spoke:
— IN FAVOUR of Amendments Nos 6 and 7;
— AGAINST Amendments Nos 1 to 4.

² The rapporteur spoke:
— IN FAVOUR of Amendments Nos 1 to 18 and 20 to 42.

President

request to the House. Now if one of those persons would wish to put that question to the Commission, then I can, of course, ask the Commissioner if he would be willing to reply. But I think I must act in accordance with the current Rules of Procedure.

Mr Sherlock (ED). — Madam President, on a point of order. Those who bothered to be present when the Commissioner was replying this afternoon would have heard him say categorically he accepted *none* of the amendments, not one.

President. — Thank you, Mr Sherlock, for giving that satisfactory reply on behalf of the Commission. Mr Sherlock is, of course, a master of points of procedure!

Mr Nordmann (L), rapporteur. — (FR) My understanding, on reading Rule 36, was that this question should normally be put before the final vote on the resolution and I of course reserve the right to ask that question at that moment.

President. — I am sorry, Mr Nordmann, but as I read Rule 36, and I am always open to correction, the last part of the sentence says that

Parliament may decide, on a proposal from the chairman or rapporteur of the committee responsible, to postpone the vote on the motion for a resolution until the Commission has stated its position on Parliament's amendments.

This means that if you wish to make any comment you have to ask the Commission now before the vote on the motion for a resolution starts. The rapporteur or the chairman of the committee has the right to put that question now before we go on to the motion for a resolution. But they must put it now if they wish to put it at all.

Colleagues, it depends of course on the chairman of the committee or the rapporteur and they cannot be bullied into putting a question if they do not wish to do so. Since they have not got up I must assume that they do not wish to do so.

Mr Nordmann (L), rapporteur. — (FR) Madam President, this is in my view a very delicate point. For I recall that on many occasions this question was asked after voting item by item on a motion for a resolution and after the explanations of vote.

For my part I was thus reserving my right to ask this question at that point. And I am very surprised to learn that I cannot do so between the end of the explanations of vote and the final vote on the motion for a resolution.

President. — I am sorry Mr Nordmann but I happen to be presiding over this Assembly at the present time. I interpret the Rules as I have read them out which means that if you wish to put a question on the Commission you must put it now, otherwise you will not have the right to do so. This is how I read the Rules. The choice is up to you.

Mr Nordmann (L), rapporteur. — (FR) In these circumstances, Madam President, I must of course put this question to the Commission, but I am nonetheless astonished at this kind of short-circuiting.

President. — I do not accept that this is short-circuiting. It is the Rules of Procedure of this House. If you have any objection you can raise it later with the Committee on the Rules of Procedure and Petitions. That is your right as a Member of this House. I understand from Mr. Nordmann's question that the Commission is being asked to give its opinion on the amendments that have been voted.

Lord Cockfield, Vice-President of the Commission. — Madam President, as I made clear in my speech, the Commission would not be prepared to accept any amendments which alter the sense of its proposals.

(Mixed reactions)

Mr Nordmann (L), rapporteur. — (FR) Madam President, I believe that Parliament has expressed its views clearly on the amendments to the text of the directive. I thus deeply regret that the Commission is unwilling to make any kind of compromise, especially in respect of the text which has been approved.

(Applause)

Thus, under Rule 36 of the Rules of Procedure, I propose that the vote on the motion for a resolution be postponed and that it be referred back to committee.

(Applause)

(Parliament adopted the rapporteur's proposal)

16. Committee of Inquiry into Fascism and Racism (continuation)

President. — The next item is the continuation of the debate on the findings of the Committee of Inquiry into the Rise of Fascism and Racism.

Mr Arndt (S). — (DE) Madam President, is it now clearly understood that each group may make only one statement? That, certainly, is what we decided this

Arndt

morning in the enlarged Bureau. However, it has still not been clearly indicated this afternoon that there can be only one statement from each political group at this stage, and that the main debate will be held later.

President. — Do the political groups agree that this is what was decided? I am not questioning your word, Mr Arndt, but I have no instructions in front of me to that effect. Whoever presides at any particular moment often finds themselves in the unfortunate position that he has no written statement to guide him as to what was decided in the enlarged Bureau. I understand that there was an agreement in principle that at this stage the debate would be confined to major statements and that a full debate would be held at a later date.

Mr Rothley (S). — *(DE)* Madam President, may I begin by saying that I am very grateful to Mr Evrigenis for having submitted this report to Parliament. He has thanked his assistants, the experts, the representatives of the institutions and the interpreters for their efforts. I too should like to say thank you to him on behalf of the Socialist Group.

As well as to the rapporteur I also wish to say a warm thank you to the chairman of the Committee of Inquiry, Mr Glyn Ford. His task, as chairman of the Committee of Inquiry, of trying to ensure a favourable outcome to its proceedings, was not always an easy one.

Mr Evrigenis knows that I do not agree with his report on a number of points. That does not reduce the admiration I feel his achievement merits. I am sure his report will go down in this Parliament's history, and that his recommendations on this problem will be one of our primary and permanent concerns. I also think that the main body of the report is a good basis for the proposals made at the end, namely that Parliament should review developments after two years, and at intervals thereafter, and report and what has been made of the committees's recommendations. The report is thus more than just an account of developments, an analysis of the situation, it also provides us with a basis for subsequent action.

I am sorry that the debate on this report is taking place today, especially at this time. There are at least two reasons for that: the decisions of the Committee of Inquiry on putting the report up for debate have not been respected by the political groups. The Committee of Inquiry took the view that this report should merely be tabled at this plenary sitting and should come up for a full debate in January.

Secondly, there was yesterday a procedural debate in which the right of this House joined forces with the Group of the European Right to argue that the debate should be held now, during this part-session. The

result is that we are now discussing this excellent report between an item on chocolate and an item on the Rules of Procedure, interspersed with Question Time and a voting session, and in the shadow of the debate on the Intergovernmental Conference and the budget. We are devoting one hour to this important report, and five hours to a debate on chocolate. That is a scandal for this Parliament.

(Applause from the Socialist Group)

If the rightwing of this House have their way the debate on this report will be concluded today. For us however the debate is not concluded. We shall pursue it vigorously in January in relation to the the analysis and recommendations of the report, and we shall also be putting questions to the Commission and the Council and voting on a motion for a resolution.

I was surprised yesterday at the fact that a decision was taken jointly with the Group of the European Right to hold the debate on this report, and that the Group of the European People's Party went along with that, despite the fact that the arrival of the European Right in this Parliament was the very thing that forced us to take an interest in this issue in the first place.

I have already said that I do not agree with the Evrigenis report on a number of points. I believe that the problem of fascism as a whole is not being taken seriously enough, that the danger is being played down. We cannot measure the extent of the danger from the right only in terms of the performance of extreme right-wing organizations in elections. We have to consider whether there is not such a thing as creeping fascism, if it is not a fact that many young people feel strongly that the problems of society would be solved by a single strong party, that many young people feel tempted by the prospect of living in a society where there are no conflicts, no differences of interests, no disputes, such as are healthy and natural in a democracy, and where problems that cannot be thrashed out between political parties might well be solved if there were only a single political party.

That political conviction is shared by many more people than shows in the election performance of extreme right-wing parties. On the subject of racism we are certainly much closer to agreement. I would, however, add that I have important political reservations about a certain form of pro-semitism. But there we shall of course be able to hold a full debate in January.

I share the view of the rapporteur that this report gives us cause to consider a reform of Rule 95 of our Rules of Procedure. I share his view that we really should consider whether our committees of inquiry ought not to be provided with investigatory powers corresponding to those enjoyed by national committees of inquiry. For it certainly did not make things easy for

Rothley

our committee to have to forego the option of conducting its own investigative research.

In that connection I regret too that our amendment calling for an institute to investigate the problems of fascism and racism to be established at the European University in Florence has been rejected.

Mr Evrigenis pointed out in his opening remarks that we have not hitherto had any serious problems of organized reaction. But there I must say, Mr Evrigenis, that you did not include any reference to the Group of the European Right, to Le Pen, to the MSI or to Mr Almirante.

Nor do I believe that it is all just a question of consciousness. These movements only become strong and powerful when economic and social crisis takes a grip on a country or a continent. Every schoolchild knows that the existence of six million unemployed in Germany in the thirties was a fundamental factor in ensuring victory to the fascists, because people were so desperate that they could not see any prospect of any other solution. I therefore think that in this report more attention should have been paid to the economic and social causes, and the need to fight against unemployment should have been a much more central theme of the report.

Let me make one further comment on what should in my view be at the centre of the general debate on this report. It has been recommended that we should concentrate in great detail on the question of education. That must also include instruction in contemporary history. I too share the view that we must not forget what happened. I think it must have been one of the stupidest things ever said in recent times when the Chancellor of the Federal Republic of Germany said in Israel that he had the good fortune to have been born late.

It is hard to imagine a more stupid thing to say in those circumstances. No, we cannot escape from our responsibility. A policy that is aimed at enabling people to forget what happened and encouraging them to look optimistically to the future without reminding them of what happened in the past, objectively helps, wittingly or unwittingly, to ensure that fascism and racism can again regain a hold. To me a people or peoples in Europe with no memory of their history would be a horror story.

I should like to make one point in relation to education that I think is important. This has unfortunately not been taken up in the report. Our ideal of education must be to educate people to be self-sufficient and to determine their own futures. Young people must be equipped by the schools with self-awareness and an ability for critical self-assessment. These are decisive qualities in preventing the development of hostility to those who are different, a phenomenon that always has its origins in an inability to tolerate

other people. Those who cannot tolerate other people, or other peoples or anything different or unusual are themselves suffering from some defect, are themselves emotionally damaged.

I am sorry that we have only one hour for this debate today. I repeat that for us the debate is not concluded. I suppose the Group of the European People's Party must agree with Professor Glucksman, the right-wing Parisian genius who warns against talking fascism and racism into existence — as if the European Right with its ten percent had been talked into existence. It was not talked into existence, it was voted into existence.!

We must not play down the danger of fascism by pretending that it does not exist. We must fight it openly. That is why this debate should have been taken at a different time as part of a more appropriate agenda, and not subjected to this attempt to hush it up and have done with it as soon as possible. I regret this very much. It means, Mr Evrigenis, that your group has not lived up to its responsibility. In handling this item as it has done it has fundamentally devalued your report. The Socialist Group regrets this very much. But we shall make sure in the debate in January that your report enjoys the attention both of the European public and of this Parliament that it deserves.

(Applause from the Socialist Group)

Mr Stauffenberg (PPE). — *(DE)* Madam President, ladies and gentlemen, I should first like to answer Mr Rothley briefly. It is quite simply historically wrong to equate the horrors that the National-Socialists inflicted on Germany and on Europe with the concept of 'fascism'. To do so is to trivialize the horrors of National-Socialism in a quite indefensible and unacceptable way. That is why the distinction that he keeps seeking to establish between the concept of 'fascism' and the concept of 'anti-fascism' is simply not relevant to the problem we have to deal with today. And his opposition of concepts is, in any event, derived from the Agitprop department of the Kremlin in the twenties and thirties and as absolutely no bearing on reality.

Nor does anyone — and no German Federal Chancellor has done this, not even Helmut Kohl — seek to call in question the responsibility of the German people as a whole for the horrors that were perpetrated in the name of Germany and of Germans. But it is also necessary in this connection to be extremely wary of any theory of collective guilt that turns the concept of guilt — something that can only be experienced personally, that is possible only on a personal basis — into a collective, and thus ultimately perverse, concept.

The report before us is the result of long, demanding and often arduous effort. We owe a major debt of gratitude to Mr Evrigenis, in particular, and also to

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the numerous experts and witnesses who put themselves at the disposal of the committee. The committee conducted the greater part of its proceedings in public. Yet it is important to realize that interest in its proceedings declined rapidly when it became apparent that it was not going to fulfill certain expectations, in particular those of the media.

The committee — and this reflects on it to its credit — did not allow its proceedings to be abused to provide cover for denunciations of unpopular groups, not to say particular individuals. It made not concessions to any Agitprop slogans on the lines of, 'Right-wing is bad, therefore the goodies are always on the Left'. The committee's work as a whole was scrupulous and fair.

Yet at the same time the outcome of the committee's work reveals two major weaknesses. This is not the fault of the committee members, and certainly not of its chairman or rapporteur. The weakness lies in the nature of its investigatory mandate. On the one hand it has become apparent that the spectrum ranging from terrorist extremism to the problem of xenophobia and of social prejudice in modern industrial society is quite simply too wide and too complex to be dealt with successfully. And on the other, it soon became very clear that the arbitrary confinement of the scope of investigation of certain forms of terrorism, to the threat to freedom and democracy, tended to produce confusion rather than illumination. Any serious consideration of political extremism shows just how closely related terror and lawlessness are to each other, whether they go under the banner of the left or of the right. There is a naive but widespread assumption that the greatest distance in the political spectrum is that between the far left and the far right. This is like saying that you have to go round the world to get from Eastern Siberia to Western Alaska. Right-wing violence and left-wing violence, terror tactics and terror tactics, be they labelled right or left, are incomparably closer to each other than is either of them to the forces of freedom, democracy and justice. It was no coincidence that the Weimar Republic collapsed under the joint onslaught of the anti-democratic wings of the National-Socialists and the Stalinists. It was no coincidence that the early stages of World War Two were marked by the Hitler-Stalin pact.

For what real difference is there between terrorists belonging, say, to the Red Brigades or the Red Army Faction on the one side and the so-called right-wing ideologies and ideologues that are being trained in acts of violence and terrorism in the PLO camps?

A major task of a democratic Parliament is and must always remain to stand together — whatever differences of opinion we may have among ourselves — when it comes down to defending the values of freedom, justice and democracy against all those who seek a different order and a different form of state, a dic-

tatorship or a totalitarian regime. That, and that above all, is our plain duty.

(The sitting was suspended at 8 p.m. and resumed at 9 p.m.)

IN THE CHAIR: MR NORD

Vice-President

Mr Prag (ED). — Mr President, let me say first that there are one or two points, as Mr Ford said, where the text of the report as we have it is not quite as it ought to be and as we agreed it should be.

One of the things I thought was going to be corrected was the table of anti-semitic incidents in footnote No 171. It does not include the very important qualifications mentioned by Mr May in his written submission, where he said that there was no common measure of what constituted an incident, no equality of reporting. This is not therefore a comparative table. However, leaving aside important details of that kind — because this table reports anti-semitic incidents divided among the Member States — let me say that this report by Mr Evrigenis is a remarkable and commendable document.

I make no bones at all about the hesitancy with which my group entered this whole exercise of the Committee of Inquiry. We believed that it was a piece of left-wing propaganda. We believe that it was an attempt, firstly, to discredit the centre-right by association with a proliferation of tiny, highly offensive neo-Nazi and neo-Fascist groups and, secondly, to distract attention from a very real danger to democratic society — the rising influence of the hard militant left.

How often, Mr President, have we seen, in my own country, the militant left — whether in certain trade unions or most recently in the Liverpool Council — decide on extreme action deplored by the majority of their members and deplored, indeed, certainly in the case of Liverpool Council, by the Labour Party's leadership. This has happened on the basis of manipulated mass meetings and has led to strikes and violence in trade union matters.

Nevertheless, my group decided that this subject was far too important to let our participation be governed by partisan attitudes. We cooperated fully in what turned out to be a serious in-depth investigation, and I believe our attitude was justified by Mr Evrigenis' excellent report.

In view of the attempts made and the concentration on my own country at certain stages of the hearing, I am

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naturally gratified by the even-handed treatment of the United Kingdom in the report. It states that 'the incidence of racism might appear at first glance higher in the United Kingdom than in many other countries of Western Europe'. It adds, however, that

'the willingness to conduct open public debate on racial relations at all political and social levels may sometime give a disproportionate impression of the growth of problems relating to that field. On the other hand, the response to those problems through general government policy seems to be more far-reaching and coherent in the United Kingdom than perhaps in other countries.'

I am also in full agreement with the general conclusion of the report that Fascism is not actually on the increase in the Community. There is no rise of Fascism. Indeed, the report says that groups professing allegiance to Nazi and Fascist ideologies still exist but are in general extremely small. Their public following is very limited and unlikely seriously to undermine the European democracy. That is a very important conclusion.

On racism — or xenophobia, as he more accurately calls it — Mr Evrigenis describes vividly the agonies of minority groups and particularly minority ethnic groups all over Europe. He speaks of a rise of xenophobia and its distressing effect on immigrant communities which are daily subjected to distrust, hostility, discrimination when seeking accommodation or employment and in many cases to racial violence, including murder. He says that racial minorities have little confidence in the institutions which are supposed to protect them. This is a situation which we must all deplore and which must cause us the greatest concern.

My group detests racism, xenophobia and political extremism on either side — whether right or left — and regards discrimination between people because of their colour, race or religion as despicable and unpardonable. That, indeed, is why we welcome Mr Evrigenis' sane and balanced treatment of racism and extremism in whatever sense. His report is balanced, full of good sense and reflects his deep legal knowledge and experience. We hope his recommendations will be followed by all who can influence the way in which people behave — in the European Community, in the European Institutions, governments, schools and universities, our political parties and, above all, the media. We would like to see those recommendations put into practice.

Mr Rossetti (COM). — (*IT*) First I have to express regret that the unanimous request of a committee, that had asked for the discussion of this important report to be linked to whatever answer the Council of Ministers and the Commission felt able to give on these questions, should have been disregarded. I consider it a mistake that, after fourteen months of hard work that has evoked wide interest and expectations, an

attempt should be made to dispose of the whole business with a hurried debate. One tends to think that there are more than just a few skeletons in the cupboard, if an attempt is made, by these means, and in this way, to hush this question up. But I think that this manoeuvre will not be of much use — not least, because in this way we shall be debating the question twice, now and in January, and also, because of a deeper-rooted reason: the report that we are debating is in fact one of those documents of Parliament that are important simply because they exist. Why do I say this. Because we are dealing with a document that bears witness to the attention, the anxiety and the very real concern of the European Parliament with regard to the reappearance of two phenomena — racism and fascism — that we had hoped were stamped out in Europe. The fact that an institution such as the European Parliament should have felt it proper to carry out such an investigation is in itself a signal, a message, that immediately becomes a warning for all to be vigilant, and a spur for all the institutions and forces of democracy to be on the alert and play their part so that no new pages have to be written in a tragic chapter of Europe's history. The danger is there. There is something disturbing afoot in our continent — to do with racism, and, in part, fascism. And the report says as much — albeit somewhat hesitantly, and with a certain reticence that Mr Rothley has already pointed out, and, in the case of a few pages on non-Member States of the Community, expressing opinions — if the rapporteur will allow me to say so — that are unsupported and unfounded. However, this report gives substance to the feeling of alarm. There are a number of important statements: the inquiry itself is defined as a right and proper act of democratic vigilance and stock-taking. That, then, answers all of those who considered it unjustified, who considered it a useless waste of time, and probably did all they could to prevent it. The report speaks of a Europe in which its own ethnic and cultural physiognomy is acquiring new traits. A pluritechnical Europe, therefore, and a time for wealth, not danger. Of course, the economic crisis that we are debating threatens, as the rapporteur says, to create an atmosphere of intolerance, of xenophobia, that could assume alarming proportions. But we agree with Mr Evrigenis: Europe has a duty to face up positively to this challenge, and in order to tackle it research is needed in a field of understanding that goes beyond political divisions. And we also agree on the fact that the institutions of the Community have so far not done all that they might have done in this field, and they must therefore broaden the horizon of their initiative. There are weighty words in this report. There are concrete proposals that the Commission, the Council of Ministers and the Council of Europe must not pass over as of no account. The alarm has sounded, then. Today, this Parliament has given a stimulus to everyone — and that is important.

If there is one regret regarding this excellent report it is on account of two limitations that we detect in a few pages. The first of these is that, whilst the alarm in res-

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pect of racism rings out loud and clear, where fascism is concerned it is recognized that there are forces in existence operating on this front, but the virulence of the phenomenon, and the fact that eversive plans are permanently in existence in certain sectors of some European societies, are underestimated. These plans may be latent, but they have not been abolished, and are ready to emerge when the time is ripe. Which brings us to the second limitation — the underestimation of the gravity of a case such as that of Italy, and the failure to understand — as we see it — or the failure to denounce, the eversive plan that lay behind the tragic bloodstained story of carnage and terrorism. But these two limitations still do not obscure the dangerous overall nature of the picture emerging from the investigation. We must not now stop here, we must make this our starting point. The recommendations must be made operative: the legislation that punishes fascist crimes must be applied where it exists, and renewed where it is seen to be inadequate. As Mr Prag has just said, a debate must be started on these subjects in every country. If it is true that a new spectre, the spectre of xenophobia, is at large in Europe, as the rapporteur says, and if it true that we are lowering our guard against fascism and racism, our parties and our institutions cannot remain inert, because only a democratic Europe can really be a united Europe. I should like to conclude by expressing appreciation for the excellent report produced by the rapporteur, and for the integrity and consistency he showed even yesterday when, following on what we had decided in committee, he agreed to the request for postponement of the debate on this document.

(Applause)

Mrs André (L). — *(FR)* Mr President, ladies and gentlemen, let me begin by expressing my astonishment at the unfortunate conditions in which we are obliged to debate a report which is so important and which a committee of inquiry has been examining for more than a year now.

The Liberal and Democratic Group wishes to voice its approval of the broad lines of Mr Evrigenis' report. The committee of inquiry's report on the rise of fascism tackles the phenomenon of fascism from a historical approach, thus seeking to define it within a specific context.

Every manifestation of the phenomenon could be placed within a defined context. This is not the way to prepare the democratic future of Europe. As we know, the European Community is based on the principle of democracy and it came into being as a reaction to a racist conflict which shook the whole of Europe during World War Two.

It is thus important to give greater emphasis and more comprehensive attention to all the antidemocratic phenomena which are exploited by various regimes

and organizations. These — as we can see if we look at the realities of the moment — are not a monopoly of the extreme right. Certain extremist bodies, certain regimes make use of the fascist ideas and methods applied in a centralized power, which has no parliamentary control and which restricts individual rights. This then is terrorism, a movement to destabilize society and cause chaos which will inexorably lead to the creation of an authoritarian system.

Fascism and racism are thus the expressions of a period of economic and social crisis, on the one hand, and of a crisis in society and its values on the other hand. Parliament, as a democratic institution, is the best guarantee for the young democracies such as Spain and Portugal which will shortly be joining us, and we must preserve and defend them.

We are a whole, forming a bulwark against infiltration by subversion, and each of us must mobilize against antidemocratic assaults against any one of us. And even if a body such as the Council is a forum for bitter argument and dissent let us not forget that we are able to discuss and exchange our points of view freely, a privilege of the rare democracies which still survive in our time.

What is needed at present, and the vote on the report reminds us of it, are concrete measures to stop the phenomena of fascism, racism and terrorism. The stakes are high. The safeguarding of our democracy is at stake. We want to prompt reflection leading to agreement which goes beyond political hair-splitting on the means to be used to prevent and halt this campaign of destabilization: we must improve education and information and adapt our legislation.

Man as a social animal has given himself laws which he keeps by tacit agreement. The same applies to the respect of human dignity and fundamental freedoms. To ensure these, the State adopts its own institutional mechanisms, i.e. legal or constitutional ones. Today, the violation of these rights forces it to face its responsibilities: it must provide itself with the means to react. In democracy, it is the citizen who governs. Fortified by the education he has received, he must divulge and pass on what he has learned in such a way that everyone is familiar with its principles, rights and thus duties — this is the responsibility of the teachers, says Mr Evrigenis' report. This is why, as MEPs, we shall unreservedly call for the restoration of civic education to the school curriculum, for the dissemination of a handbook of European civic education, and for true educators for our children. Whilst terrorism is seen as a cultural or political problem, education rests on the passing on of the cultural scheme of our collective community representation. This system of values is accompanied by a political definition which is generally accepted. The way to destroy this scourge thus doubtless lies in developing the political awareness of the citizen from his schooldays onward.

André

Journalists also have a responsibility in the way they present information which, depending on how it is perceived, may provide a major incitement to terrorist action. Like education, the media play a comparable role *vis-à-vis* adults as instruments of technical and cultural influence, weapons which can be used to counter the spread of terrorist ideas.

Finally, it is within the responsibilities of the Council and the Commission to take action to ease the social, economic, political and cultural tensions which may be at the root of terrorist and racist phenomena and to harmonize the national legislations on the sale and free movement of arms of all kinds. On this point we suggest that the European Parliament should adopt a resolution to this end as soon as possible, in order to stop the temptation to use violence from escalating.

Once these first steps have been taken, we can say that Europe has started to deal with the phenomena of destabilization in our western society.

(Applause)

Mr van der Lek (ARC). — *(NL)* Mr President, like Mr Rossetti, I find it regrettable that the suggestion unanimously endorsed by the Committee of Inquiry into Racism and Fascism that the debate should be held in January rather than now was not approved by the House. I would also point out that what we are doing now — making a few comments on the report that has just been presented by Mr Evrigenis — is not the real debate on this extremely important issue. It would really be a disgrace if we were to conclude the discussion of the extensive and excellent work done by the rapporteur at a time when so few Members are present. I am pleased this is not to be the case and that it must and will become clear that the real debate will centre on the associated oral questions and proposals that have yet to be discussed.

I should like to make a few brief comments and emphasize that this is an extremely important matter. Fascism and racism still exist, and I cannot agree with the conclusion cheerfully drawn by some Members that they are gradually disappearing. The report makes it quite clear that such ideas as belief in strong men, the chosen people and authoritarian and violent methods of getting things done are far more widespread than the existence of a number of groups supporting such views would appear to indicate. I am certainly very happy that Mr Evrigenis has drawn up so well-considered a report and that there was no dispute in the committee over the line it should take. It calls quite unequivocally for a multicultural society, gives some useful pointers for the struggle against xenophobia and discrimination and also discusses what still needs to be done both at institutional level and in day-to-day life.

Fascism and racism have definitely not vanished from the face of this earth. I believe the main question we

must ask ourselves in the coming debate is where their roots lie and how we can develop a genuine democracy. What we have now is only half a democracy, and a great deal therefore remains to be done.

(Applause)

Mr d'Ormesson (DR). — *(FR)* On 12 September 1984 Mr Arndt, chairman of the Socialist Group, informed the president of Parliament that more than 109 Members had signed a proposal to set up a committee of inquiry into the rise of fascism and racism in Europe. This request followed on from a statement by Mr Glinne, the previous Socialist Group chairman, querying the activities of Jean-Marie Le Pen. As a direct result the chairman of the Group of the European Right and his colleagues were exposed to public spite. All we needed was the apparatus of the law: court, judges and the rapporteur.

On 28 September the Bureau of Parliament accepted the Socialist proposal whereby the committee should have 15 members. I was named to represent my Group with Michel de Camaret as my substitute. I was to sit on it only once during the constitutive meeting, when we discussed the definition of racism. During that discussion I remember that I recalled having been myself treated as a racist in a French newspaper for voting against the resolution condemning Israel. This was just after the 'Peace in Galilee' operation launched on 2 June 1982 against the PLO and the Syrians. All these good people were occupying Lebanon, daily massacring Christians and Shi'ites, finally ruining the authority of the State, and nothing has changed there since.

There were 12 of us MEPs that day who supported Israel. Mr Prag, elected vice-chairman of the committee of inquiry, was like me one of the 12 pro-Israeli racists. On 27 September Jean-Marie Le Pen challenged the interpretation of Rule 95 regarding the setting up of this committee and asked for its work to be suspended. And on 1 April the chairman of the Group of the European Right registered an action with the Court of Justice of the European Communities asking for the decision to set up this committee to be invalidated. On 16 January Mr Le Pen notified Mr Ford, chairman of the committee, that his representatives would not sit on the committee until the Court of Justice had given its ruling.

The Court of Justice has still not done so. What, Mr President, will be the position of Parliament if the Court rules in our favour? I am entitled to ask this question of Parliament, the Council of Ministers and the Commission. And whilst it is only fair to concede that the rapporteur who was appointed has the wisdom of moderation, he will allow me to express the indignation I feel at the procedure used by the socialists against the chairman of my Group, against his colleagues and consequently against myself! Did he not

d'Ormesson

seek to discredit us, to dishonour us? He should know that these angels are closer to the devil than to God, since Engels, Karl Marx and Lenin.

And if there were not men like Jean-Marie Le Pen in this House and elsewhere to say what they think and to act openly as many Europeans wish, you would not be allowed to talk for long about threats to our freedoms.

It would have been fair to point out that of all the French representatives of the European Right, two were old enough to have fought in World War Two: Michel de Camaret and myself. We both fought the enemy and were in the Resistance. France rewarded Michel de Camaret by honouring him as a *Compagnon de la Libération*, and I myself in 1945 was one of the youngest men elected to serve my country.

As for Jean-Marie Le Pen, who was 16 in 1944, although he was a war orphan, he fought in the Saint-Marcel maquis, the exploits of which are remembered by all its erstwhile members, myself included. An aggravating charge, admittedly withdrawn since, but joyously whispered, spread, hawked from Strasbourg to Brussels and elsewhere was seen as an indelible stain, proof of the resurgence of fascism, the charge that Mr Giorgio Almirante had, as Minister of Justice, been part of the Salò Republic. But: he never had any ministerial duties under fascism, and if he finds it right and honourable to defend the memory of a man whom we threw into the arms of Hitler by abandoning him on the Brenner, at the same time losing the heroic chancellor Dollfuss, this makes him no less worthy of our esteem and our friendship.

This prompts me to protest at the rapporteur's endorsement of Mr Girardet and Mr Passelecq who conclude that the Front National is 'the successor to a Maurassian and legitimist right spawned by Poujadism' and insist that reference to a long chain proves it.

After all, I know Jean-Marie Le Pen better than you! Like me, he admires the achievement of the French monarchy because it united our country and never pulled back its frontiers, as the Empire and the Republic did.

We certainly admire the literary genius of Charles Maurras, one of the greatest French writers since Chateaubriand, but we do not necessarily share all his views.

We know that we live in a changing world and we have freely accepted the laws of the Republic, defended its flag and learned to sing its national anthem whilst fighting for it. Yes, we believe that our country, like yours, has its roots in Christianity and that in future nothing great will be preserved or created unless strong-hearted men work together and unless our countries are united.

We remember that the romanized, christianized society to which we belong obeys in matters of the intellect the discipline of the Greeks. It has been formed in blood, sweat and tears by Salamis, Marathon, Poitiers, Lepanto and Vienna, and we know that it will continue as long as there are Europeans to defend us on our outposts and borders.

The rapporteur would do better, instead of raising the dark, hateful shades of Europe's past conflicts and the unattonable wars which for so long set its peoples against each other, to consider how it is that the USSR has managed to seize more territories and peoples than any conqueror before it and has installed there, at a cost of 150 million lives, the cruellest of tyrannies.

Next time the rapporteur presumes to define our thoughts and actions, he should rather apply this thought of Pericles: 'There is no happiness without freedom, and no freedom without courage'!

(Applause from the Group of the European Right)

Mr Sekellariou (S). — *(DE)* Mr President, I think that what Mr d'Ormesson said is very important. Would you ask the rapporteur if he would be prepared to attach it to his report as a supporting document.

(Laughter)

President. — It is not for me to ask that of the rapporteur. He will doubtless draw the appropriate conclusions himself from the various contributions made in this debate.

Mr van der Waal (NI). — *(NL)* In our opinion, the Evrigenis report can be described as a sound and balanced study: our compliments to the rapporteur. We congratulate him on going to considerable lengths to find satisfactory definitions for the terms 'fascism' and 'racism'. These terms are too often and too easily applied carelessly and indiscriminately to all kinds of people and developments. The Evrigenis report is very cautious and sets us an example in this respect.

As regards the contents of the report, we shall confine ourselves to commenting on one aspect, the position of the United Nations. We are pleased to see the rapporteur emphasizing the importance of the United Nations in the chapter on measures to combat fascism and racism. The UN report itself and especially the 1965 Convention on the elimination of all forms of racial discrimination do after all refer at length to the grave injustice of fascism and racism. But that is not all. The United Nations has also shown signs of sometimes using the term 'racism' incorrectly. There was, for example, the condemnation of zionism in 1975. Sadly, the Evrigenis report does not mention this. While the United Nations General Assembly supported the efforts of the Jews to achieve independence

van der Waal

in their own country by a vast majority in 1947, the same Assembly adopted a resolution 10 years ago branding as racism Jewish efforts to restore ancient Israel. This resolution was adopted by 72 votes, including Portugal, with 32 abstentions, including Greece, and 35 votes against. What was supported in 1947 was condemned by the same organization as racism 28 years later. This statement unfortunately casts a cold light on the UN's conventions and declarations. Their importance therefore needs to be qualified, and we would like to have seen this done in the Evrigenis report.

To conclude, the rapporteur calls for constant reflection on the phenomenon of racism and fascism at Community and national level. Do we agree to that? If so, we urge that the issue we have raised also be considered.

Mr Ford (S), *chairman of the Committee of Inquiry into the Rise of Fascism and Racism in Europe*. — Mr President, I speak this evening as the chairman of the Committee of Inquiry rather than on behalf of the Socialist Group. With the submission of the report this evening, the Committee of Inquiry finishes its work.

I would like to associate myself fully with all the congratulations extended to Mr Evrigenis, our rapporteur, whose outstanding work and guidance has enabled us to produce a report that many, both on the left and on the right in this Parliament, said would never be produced. I would like to agree with Mr Prag in saying that I can understand that some of the members of the Committee of Inquiry were understandably suspicious of the motives of the 109 Members who actually put in the request for the Committee of Inquiry to be established. It may be that in the minds of some Members there were political motives. However I am sure that that suspicion has now been removed in that in the last 14 months we have actually managed to work together to produce a solid report that receives support from all around this House. We have a situation where groups throughout Parliament are supporting the broad lines of the report, and I would like to say that I was very pleased that as chairman we had a report on which the vote was 13 votes in favour, none against and 1 abstention. That shows the progress we made over 12 months in convincing Members and in learning together that we actually had a report and a subject that merited serious work by Parliament.

I would like to draw the attention of Members tonight to the statement on page 11, paragraph 25, of the report, that 'it would be hard to exaggerate the importance of this inquiry'. I think that is very true. Hopefully we will move on from here tonight to actually translate the recommendations of the Committee of Inquiry into some form of action.

The report says that racism is one of the major problems facing Europe. It faces all of us in Europe, not

just the members of the migrant communities, and it is one of the problems that we must address over the next few years if Europe is to have a future. The problems facing the migrant communities throughout Europe are very similar. The victims are different — in France it is the migrant workers from the Maghreb, in Germany it is the Turkish 'guest workers', in the United Kingdom it is the Afro-Caribbeans and the Asians and in Denmark it is the Iranians. The victims are different, but the problems remain the same.

I also accept that the report says that there is no major growth in fascist activity in the European Community. It points to some problems in Italy, particularly right-wing terrorism, and it also points to the growth of xenophobia in France and elsewhere in the Community. But these are the symptoms and not the cause. The danger is not the re-emergence of nostalgic fascism, it is the danger of fascists in lounge suits, the threat from wolves in sheep's clothing. The analysis that we have here justifiably points out that that is a potential danger facing Europe.

However, this is not an academic document. It is a document that calls for action, and I would urge Members to look at the recommendations contained in the report asking at the institutional level for the ratification of international conventions, for free legal aid in cases of discrimination and for the establishment of race relations bodies. On the information side it asks for case studies and for the mass media to recognize the role it must play. In education it asks for civic education in schools, training for civil servants and improved presentations of contemporary history.

It also asks the Community to establish an intra-Community forum and for a European year for Community harmony which combats fascism and racism. And it asks democratic political bodies to stand together because otherwise we will fall together. The virus that is threatening to spread throughout Europe must be tackled by being put in quarantine.

Most importantly, we will combat this not by mouthing phrases about the groups that have crawled in from the margins of the political society, not by talking about fascists in new clothes, but by taking action to provide full employment, to underpin social peace and to remedy many of the injustices that the migrant groups in our Community face. I ask Members to ensure that when we discuss this report further, when we discuss the questions to the Commission and the Council in January, we actually translate Mr Evrigenis' splendid report into action on behalf of the Community to resolve this major problem facing Europe.

(Applause)

Mr Sutherland, *Member of the Commission*. — Mr President, may I begin by thanking the rapporteur and

Sutherland

the chairman and members of the parliamentary committee for the comprehensive and wide-ranging examination which they have made into the unfortunate growth of racism and fascism in Europe. I find myself in general agreement with virtually all, but not all, of the contributions which have been made during the discussion this evening.

I am aware that your task has not been easy. Many Members, as Mr Ford pointed out, at the beginning contested your right to examine the subject. I am glad to say on behalf of the Commission that we are satisfied to see that you have clearly succeeded in your basic intentions. Your report was tabled on 25 November, and I hope in these circumstances that you understand that I and my colleagues have not had time to examine the details of the report in such a fashion as to be able to give you specific comments on every point you have made.

Apart from the historical development of the situation, I feel that I might concentrate my brief remarks on the conclusions which you have reached, and give you some initial reactions of the Commission as to how we see the situation.

One of the real difficulties about racism is that those who are racists rarely admit that the appellation is properly applied to them. They are masked by various forms of political activity which they would suggest are legitimate, and which are often based upon an excessive zeal in the presentation of nationalism. The real difficulty, the really insidious malevolence of racism and xenophobia, is that it is masked by this posturing. It is disguised by words such as 'nationalism' of a virulence which is ultimately damaging to the fabric of a society which we, as parliamentarians and people who believe in democracy, must ultimately aspire to.

I am struck by the very large measure of agreement which I find in your recommendations and the content of the Commission's own guidelines for a Community policy on migration, which we published in March 1985. This applies particularly to the need to ratify existing solemn declarations against racism and xenophobia. I hope that the Commission will shortly propose a declaration of this kind.

We thus intend to show that we are formally committed now to fighting against racism, fascism and xenophobia in our European Community. We do not, however, intend to leave the matter there. We hope that during 1986, as a result of your continuing examination of the situation, we shall be able to give to you and the Member States, within the spirit of the relaunched Community following the Luxembourg European Council, proposals which will follow the joint declaration to which I have referred, and which will provide an answer to some of the points made in your valuable recommendations.

Not least, I have to tell you that we hope there will be a positive response to your suggestion concerning

actions at the institutional level that 'Commission initiatives must be encouraged in the area of problems identified by this inquiry'.

Mr President and honourable Members, for the moment I will leave matters there. Again I would wish to give sincere thanks on behalf of the Commission to Mr Ford and his committee members, particularly the rapporteur, for the tremendous amount of hard work and personal commitment which they have given to this most important subject. There is much to be done, not least in the area of human relations and encouraging recognition of the fact that in matters of prejudice, racism, xenophobia and discrimination of all kinds, each man and woman has a role to play and a personal attitude to adopt. Legislation alone will not solve the problem. It is a question of facing a real problem in our society which has existed from the beginning of time and which re-emerges from time to time in a virulent expression of racism, which is the very contradiction of the Assembly in which we are present tonight.

(Applause)

Mr Evrigenis (PPE), rapporteur. — (GR) Mr President, I should like to clear up two matters: this first concerns the point repeated by Mr d'Ormesson relating to his colleague Mr Almirante.

Our sources for Mr Almirante's position during the life-time of the Salò Republic in Italy, were derived from a book published by the Anne Frank Foundation in Holland. Mr Almirante drew attention on one occasion to the fact that this information was incorrect, and that he was not Minister of Justice in this government. He was kind enough to provide me with written confirmation of the fact that he was simply the director of the private office of that government's Ministry of Propaganda. This information from Mr Almirante was laid before the committee and was conveyed to the relevant services for inclusion in the text. This sentence was not included, evidently due to technical problems — not perhaps attributable to any individual — but, however, a printed form has been circulated, and distributed to all, which sets the record straight.

I should like to add that if Mr d'Ormesson had taken part in the work of the committee — and I do not wish to make any judgment on the matter — he would have had the chance to correct the eventual mistakes and inaccuracies which naturally occur in a text of such complexity and scope.

My second remark will be very brief, Mr President. It concerns the observation made by my colleague Mr van der Waal, to the effect that the report contains no mention of the United Nations resolution equating Zionism with racism. I would like to say that this question did not escape our attention, and Mr van der

Evrigenis

Waal will find the relevant information and our comments on this matter in Footnote 24.

(Applause)

President. — The debate is closed.

The vote will take place at the next voting time.

17. *Amendment of the Rules of Procedure of the EP*

President. — The next item is the joint debate on:

- the report by Mr Amadei, on behalf of the Committee on the Rules of Procedure and Petitions, on the amendment of Rule 57(2) of the Rules of Procedure (A 2-40/85);
- the report by Mr Anastassopoulos, on behalf of the Committee on the Rules of Procedure and Petitions, on the amendment of Rule 85 of the Rules of Procedure (Doc. A 2-33/85);
- the report by Mr Rothley, on behalf of the Committee on the Rules of Procedure and Petitions, on Rule 33 of the Rules of Procedure (Doc. A 2-68/85);
- the report by Mr Rothley, on behalf of the Committee on the Rules of Procedure and Petitions, on Rule 34 of the Rules of Procedure (A 2-67/85).

Mr Amadei (S), rapporteur. — (IT) Mr President, ladies and gentlemen, the Amendment to Rule 57(2) of the Rules of Procedure that we are considering today originated in an observation made by a member of our Assembly during the sitting of 13 November 1984. Under the circumstances the Assembly — leaving such observations aside for the time being — undertook to put the problem to the Committee on the Rules of Procedure and Petitions. It was here pointed out that what mattered was that the proposal to which the request related had been distributed in all the official languages — not the request itself.

The Committee on the Rules of Procedure and Petitions found that statement logical, and it today proposes an amendment to that effect to Rule 57(2) — which concerns urgent debate in plenary session — since it is of the opinion that an amendment, and not simply an interpretation, is the only way to make the Rule clear and unambiguous. The intention behind the amendment to Rule 57 is to introduce as quick and flexible a procedure as possible, in line with the urgent nature of debates in plenary session. We wanted in fact to eliminate any obstacles of a formal nature that slowed down the procedure, such as the condition

requiring the text of the request to be printed in the official languages and distributed to all members. That was considered superfluous, and the Rule in question was amended to the effect that, for the urgency procedure to be started, only verbal notification of the request would be needed. All that is now necessary, therefore, is that the proposal to which the request relates should be distributed in all the official languages; the need to publish the text of the request in the official languages and distribute it to all members is done away with, which makes the urgency procedure much more immediate. We are in fact well aware of the technical difficulties that have occurred in the past in being able to translate into all the official languages, and distribute to all members, a text which, in effect, is not absolutely indispensable for the purposes of the debate.

By using the words provided that the proposal to which the request relates has been distributed in the official languages' we feel we have laid down the only condition that really applies to ensure that members are properly informed regarding the subject of the urgent debate. It is on the basis of these considerations, and in the certainty that the Rule in question will be a better one as a result, that the Committee on the Rules of Procedure and Petitions adopted this amendment unanimously.

Mr Anastassopoulos (PPE), rapporteur. — (GR) I hope you will allow me to express my pleasure that those of you still here, in what is at this hour a rather sparsely-populated chamber, are presiding over the debate on a Rule concerning which you have played a highly important role, as I shall be explaining.

The origin of the proposal for an amendment of Rule 85 of the Rules of Procedure, which I today have the honour of submitting to this House, can be traced back to the problems connected with the first Sherlock report on lead in petrol. A request that this report should be referred back to the Committee on the Environment was submitted by Mr Bombard in November 1984, based on Rule 85(1) of the Rules of Procedure. And when the leader of the Socialist Group, Mr Arndt, demanded, after this request had been accepted, that a general debate should be held in accordance with Rule 85(3), Vice-President Nord decided that this paragraph was open to interpretation.

Mr Arndt's proposal was, in any case, accepted by Parliament, and the debate on matters relating to the first Sherlock report was held in November. The Committee on the Environment re-examined it later, and the second Sherlock report came up for debate at the December part-session. This debate was, however, going to be very brief. After the rapporteurs had spoken, Mr Nord, on the basis of Rule 86(1), proposed closing the debate, and Parliament agreed.

By combining the application of the two Rules, 85 and 86, we have reached the point where in November

Anastassopoulos

1984 there was a general debate without report and amendments, and in December 1984 a report and amendments without a proper debate. The problems with regard to the application of Rule 85 have not disappeared in the meantime. The most recent problem arose following the decision to refer the Nordmann report back to committee. All these difficulties have made the amendment, and not any longer the interpretation, of Rule 85, essential. This was the opinion of your rapporteur, accepted unanimously by the Committee on the Rules of Procedure and Petitions. It is the proposal which I am submitting today.

From our research, we noted that Rule 85 has a history stretching back for more than 20 years. It is one of the oldest procedures in the Rules of Procedure, appearing in the 1968 text as Rule 29(5). It belongs to the days when the European Parliament could allow itself the luxury of two debates, one general, and one on amendments. This was, however, scrapped a long time ago. The Rule has survived up to today, though, as it did not fall within the more general review of the Rules of Procedure carried out in 1983 by Mr Luster's report. There are certainly some advantages to the view that a first general debate in the plenary session would facilitate the relevant committee in re-examining a report and the amendments to it. But when there has been a geometric increase in the number of reports, and we have reached the point — as we now have — where 1 000 reports are being prepared, and there is a real battle to reserve any space in the agenda of the sessions, is it really still possible, in 1986, to preserve the luxury of two debates which could indeed be held to destroy the idea of unity of examination of affairs?

I am among those who believe that we in the European Parliament should look at ourselves critically, and should cease to be concerned only with its pride. Because I have no false illusions about achieving this from one day to another, I believe that we must make every effort to simplify and clarify the procedure, and make the most of what time we have available to consider the major and important questions which we must devote more attention to.

Having made these observations, the Committee on the Rules of Procedure and Petitions proposes that the possibility of holding a general debate should be removed, when a proposal for the referral of a report back to a committee has previously been accepted. If however, the proposal was submitted after the debate had taken place, then equal opportunity must be guaranteed for the representatives of those political groups who had not spoken up to the time of the proposal being submitted. Therefore, in accordance with a proposal from the current Bureau, we are asking for a regulation similar to that already contained in Rule 86(2) of the Rules of Procedure to be introduced.

With the proposed regulations, the question of the point of opening of a debate, raised last year by Mr

Nord, assumes greater theoretical importance. Mr Nord supported the view that the debate cannot be considered to have begun until the rapporteur has spoken. Despite the arguments backing this opinion, your rapporteur would prefer to adopt a different position. For me, the argument that once the President announces a particular matter to be in the agenda the debate has begun, seems to provide the simplest, clearest and most practical solution. Otherwise, we would run the risk of repeating the confusion which occurred in November 1984 concerning the Sherlock report. Then, the rapporteur had not yet spoken, but we had entered into the debate on the general points of the agenda, and the chairman of the Committee on the Environment, Mr Weber, and Mr de Gucht had spoken. Could it really be argued that the debate had not started because Mr Sherlock had not yet spoken? Your present rapporteur would not agree.

Another problem which arose following the drawing up of this report concerns the time within which the request for referral of a report back to committee may be submitted. The Bureau, giving a wider interpretation of Rule 85, accepted two circumstances in which a request may be submitted, not during the debate on the matter itself, but during the debate on the agenda for the proceedings. On the occasion of the Nordmann report, the Committee on the Rules of Procedure and Petitions expressed its disagreement with the Bureau's interpretation, and Parliament agreed with its stand.

There are many supporters for the view that the possibility of submitting a request for referral back to the committee during the debate on the draft agenda should be guaranteed, quite independently of the wording of Rule 85. They point to the chiefly practical advantages that would be provided by such a solution, giving time for improved regulating of the work of the proceedings. Your rapporteur is of this opinion. And in this spirit I have proposed two amendments which institute this possibility, but on one basic condition: that in the event that a request for referral back to the committee is submitted during discussion on the agenda, the request shall come within the restricted scope of Rule 56 of the Rules of Procedure.

These are the amendments which your rapporteur is proposing to the Assembly. They are changes which should make procedures easier and clearer, and I have tried to put forward the most practicable solutions in the hope that the work of Parliament will, with their help, become smoother, swifter and flow more easily.

With these thoughts and with this earnest desire, I beg you, Mr President, and colleagues, to approve the alterations submitted to you.

Mr Rothley (S). *rapporteur.* — (DE) Mr President, I should like to speak for the amendments to Rules 33 and 34 of the Rules of Procedure. The proposed new

Rothley

version of Rule 33 should result in a considerable alleviation of the work of both Parliament and its committees. I should like to stress that I consider the changes to the Rules of Procedure on this point to be highly significant.

There are various simplified procedures in our Rules that have hitherto been inadequately applied in practice. Let me make this clear from an example. Rule 33, which we propose to amend, provides for the power to take a decision to be delegated to a committee. This Rule has been applied on only one occasion since 1981. And although Parliament debated and reached decisions on a total of about 300 reports in 1983, the procedure under Rule 33 was not invoked even once. This can only mean that the Rule needs to be redrafted.

There was a discussion in the committee as to whether the proviso contained in the present version of Rule 33 to the effect that that referral to committee for a decision should take place only where Parliament is consulted on a predominantly technical matter of no general importance should or should not be retained. I as rapporteur take the view that we could drop this proviso, and I can also specify that the circumstances in which the committee should exercise decision-making powers should be stipulated as cases of request for opinions or advice pursuant to Rule 32.

That is a precise and clear formulation, and we have added that not only the President, but also a committee or 21 Members of Parliament, will be authorized to submit such a proposal. The option of leaving it up to the committee to decide will not however apply to motions for resolutions pursuant to Rule 47, for here we stress the importance of a formal decision by Parliament, whether on a proposal by the President, or by a committee, or by 21 Members. In such cases it would be for Parliament to decide whether to authorize the committee to take a decision or not. This proposal may be opposed by one tenth of the Members of Parliament as before, in other words the protection of minority rights would be fully safeguarded, just as in the previous version. The decision would moreover be taken at the opening of the sitting following that in which Parliament was informed of the proposal.

I turn now to the procedure in the committee to which the item is referred for its decision. First, there is the problem of whether meetings should be open to the public. We take the view that in the case of committee meetings at which a decision is to be taken pursuant to Rule 104(4) of our Rules of Procedure, all Members of Parliament should be entitled to attend.

All Members of Parliament would also have the right to table amendments. We have written this provision into Rule 33(4). Here too there is the technical problem as to how the holding of such committee meetings can be communicated to all Members. We consider

that a notification in the EP Bulletin would be sufficient.

We stipulate the form that decision-making would take in the committee in more detail in paragraph 4 of the new version. This can range from a proposal by the chairman being approved by the committee to a complete report with a full debate on the matter to be decided. Paragraph 6 of the proposed new version sets out the procedure whereby the committee's decision would be formally approved by Parliament.

The procedure proposed is that the President of Parliament would inform the House of the committee's decision at the opening of the next sitting. The committee's decision would then be recorded in the minutes. With the approval of the minutes Parliament would be deemed to have formally adopted the decision of the committee. I would however point out that this would no longer mean that by raising an objection to the minutes Parliament would have the opportunity to record a different vote on the matter. This would only be a formal procedure that would mean that the decision of the committee had received the approval of Parliament.

The Committee on the Rules of Procedure and Petitions discussed the proposed new procedures at a number of meetings. It came in the end to the unanimous decision that this would mean both greater efficiency in the work of Parliament — because Parliament would be relieved of the burden of unnecessary work — and greater efficiency in the work of the committees. For that reason I ask Parliament to approve the proposed amendment.

The second amendment for which I wish to speak concerns Rule 34. It relates to the procedure without debate. In its current version the Rule stipulates that a proposal may be put to the vote without debate unless a political group or at least ten Members of Parliament lodge a protest in advance. Then comes the key sentence: 'In the latter case' — that is if ten Members have objected — 'the proposal shall be referred back to the committee responsible for reconsideration'.

This problem of referral back to committee is the crux of the matter. We consider that referral back to committee in such circumstances is restrictive, and that is why this provision has seldom been used in practice. We propose that instead of being referred back to committee in such cases, the report should be placed on the agenda — the agenda of Parliament, that is — at a subsequent part-session.

Here we are allowing for the fact that an agenda will already have been drawn up for the current part-session. It would be unreasonable for the agenda of the current part-session to be changed during the proceedings simply because ten Members had raised an objection. We therefore propose that the item should

Rothley

be placed, with debate, on the agenda of a subsequent part-session.

We have also incorporated a rider to this principle under paragraph 2. This relates to Rule 99(1) concerning the procedure without report. When there is no report before the House it is very difficult for Parliament to hold a debate or reach a decision. There must therefore be provision for an exception to be made pursuant to Rule 99(1) in the case of a procedure without report for the proposal to be referred back to the committee responsible for further consideration.

Mr Adam (S). — Mr President, the number of Rules referred back to the committee for interpretation and possible amendment is on the increase. It reflects the need of our Rules to respond to the increasing level of activity in the Parliament rather than any inherent weaknesses in the Rules themselves. All the proposals before Parliament this week will have the support of the Socialist Group. We are confident that they will improve the flow of business which is the prime purpose of these Rules. I do not need to go into the details because they have been explained by the rapporteurs. But as far as Rule 34 is concerned, I believe it is more logical to use the term 'draft agenda' rather than 'the agenda' which was the term used in the original report. Otherwise, we would preclude the use of Rule 56 at the adoption of the part-session agenda. That, clearly, was not the intention of the Committee. Therefore, we will support that amendment.

Mr Anastassopoulos has also tabled an amendment to his own report suggesting that referral back to committee should also be permitted under Rule 56. We will also support that. It seems to me to be quite logical. There are cases where Members want to refer reports back to committee when the draft agenda is being adopted at the Monday sitting, and it would clearly be better to put these requests to the House straight away rather than wait until later in the week. It would also help to clear the agenda and assist the business of the House.

All these proposed changes will make the Rules clearer. They will help with interpretation and I hope they will assist you and your co-vice-presidents in dealing with points of order when they arise. What we need is a set of Rules which do not require frequent referral to the Committee on the Rules of Procedure and Petitions and which will avoid the delays caused by the lengthy procedural discussions in the House. We believe that the amendments to the Rules before us this week will improve matters and the Socialist Group will therefore support them.

Mr Stavrou (PPE). — (GR) Mr President, the four reports on the amendment of those Rules of the Rules of Procedure which relate to the operation of Parliament, and which are before this Assembly today for

voting have, as I am sure you are aware, assumed a particular relevance as a result of the confusion which occurred in this chamber yesterday over the interpretation of Rule 87. To be more precise, I am referring to the report by my colleague, Mr Amadei, chairman of the Committee on the Rules of Procedure and Petitions, which proposes the amendment of Rule 57, Mr Georgios Anastassopoulos' report on the amendment of Rule 85, and lastly, the two reports by my colleague Mr Rothley which deal with the amendments to Rules 33 and 34 of the Rules of Procedure.

I shall, Mr President, be very brief in my capacity as coordinator for my political group on this committee, as the rapporteurs have already given a detailed analysis of their opinions and — as you have noted — the four reports were approved unanimously during the first half of the year ending by the competent committee.

We are already at the end of the year, and I feel that any further delay in voting on these reports would be prejudicial to the smooth functioning of Parliament. The reasons are quite evident: firstly, the fact that the approval of amendments of the Rules of Procedure requires an absolute majority of all 218 Members of the European Parliament. As you know only too well, Mr President, this is a rare occurrence in this chamber, so we should take advantage of this happy circumstance, which has arisen this week thanks to the debate and vote on the budget.

Secondly, I feel that these matters are now ripe for action, following the painstaking research carried out in the competent committees and should not have to be judged again by the newly-composed Parliament which is due to come into effect from the beginning of next year.

In other words, Mr President, I think it is right that the new Member States of the Community should find an improved and amended Rules of Procedure.

Thirdly and finally, Mr President, I should like to recall the fact that all these proposed amendments arose from the needs involved in the day-to-day management of affairs in Parliament. These needs were pointed out by the President of the Assembly to the Committee on the Rules of Procedure and Petitions on each occasion, by formal letter. I believe that this fact affords me the opportunity to call both on you, Mr President, and on my other colleagues to vote in favour of the amendments before them, in the certainty that by so doing, they are contributing to the improvement of parliamentary work, which I believe to be in the interests of us all.

President. — The debate is closed.

The vote will be taken at the next voting time.

18. *European Social Fund*

President. — The next item is the proposal by Mr Didò, on behalf of the Committee on Social Affairs and Employment, on the proposals from the Commission to the Council (COM (85) 579 final — Doc. A 2-124/85) for:

- a regulation amending Regulation (EEC) No 2950/83 on the implementation of Decision 83/516/EEC on the tasks of the European Social Fund with a view to the accession of Spain and Portugal
- a decision amending Decision 83/516/EEC on the tasks of the European Social Fund with a view to the accession of Spain and Portugal

Mr Didò (S), rapporteur. — (IT) Mr President, the accession of Spain and Portugal to the Community makes it necessary to amend some of the European Social Fund regulations so as to allow these two countries to benefit from the aid provided by that Fund.

The problems that arise are particularly delicate, because we are talking about two new Member States with serious unemployment and regional underdevelopment situations. It should be remembered that there will be an increase of 70 per cent in the active population of the super-priority regions, compared with 14 per cent in the other regions. The inadequacy of the resources available today for the Social Fund is dramatically clear, especially if we bear in mind the draft Community budget for 1986, which was put forward by the Council and which our Parliament hopes to amend with the vote that will be taken on the second reading next Thursday.

This is the point that is emphasized, in the first place, by the resolution that our Committee on Social Affairs and Employment is asking the Assembly to adopt. In Italy we have a saying, 'getting married with dried figs' which is used to denote meanness in the extreme; the enlargement of the Community without making a sufficient increase in the resources of the structural funds is ridiculous behaviour on the part of the governments of Member States.

In addition to Portugal, the Commission has proposed including amongst the regions of absolute priority seven Spanish regions, which represents almost all of what the Spanish Government asked for. These regions were selected on the basis of criteria laid down by the Fund's regulations — i.e. employment index, gross domestic product per capita, balance of migration and structure of the regional economy.

The short time available, due to the Commission's slowness in presenting its proposals, does not make it possible for us — bearing in mind the difficulty of

finding up-to-date statistics for these countries — to express a sufficiently detailed opinion, but we consider that, with the situation as it is, the decisions that have been taken are adequate, subject to a re-examination of the position at a later date. These regions will benefit from an intervention rate of 55 per cent instead of 50 per cent, and the modernization of vocational training centres will be speeded up.

The other problem that arises is the adjustment of the present reserve of 40 per cent of the Social Fund's resources for the benefit of the top priority regions of the Community as a whole, after the entry of Spain and Portugal. The Commission's proposal for this purpose was to proceed progressively over three years, rising from 40 per cent to 42.5 per cent for 1986, 43.5 per cent for 1987 and 44.5 per cent for 1988.

It seemed to our committee that these percentages had been worked out rather approximately and not very much in line with the new situation that was developing, and that the figures were moreover not very substantial, in relation to the quantity of resources available and, above all, the nature of the measures requiring to be financed.

For this reason the motion for a resolution calls for the percentage increase to be decided not for three years but for 1986 only. It also says that we should not wait till 1988, to see how the economic and social situation in the Community develops, to define new tasks which the Social Fund must tackle in a more concrete fight against unemployment, and it gives the Commission a mandate to present new proposals by the end of 1986, so as to implement new guidelines and new financing criteria from 1987 onwards.

The Social Fund has undergone reform in recent years, for the very purpose of making it an effective instrument in the service of a Community policy to promote higher employment, and not just an instrument for the mere haphazard distribution of scant financial resources. Obviously, in regions such as those indicated for Spain and Portugal, the nature of the measures is extremely important, since it is not a question merely of financing vocational training of a general nature but of implementing promotional measures to create entrepreneurial ability, measures for training executives to set up small and medium-sized businesses, measures for training trainers, and so on.

I have quoted the example of the two new Member States, but the same consideration applies to the other countries in the Community. Today's priorities are infinite, and the measures that ought in fact to be implemented, with concentrated resources and energy, are dispersed in inadequate initiatives. That is why we call for the opportunity that is offered by the accession of Spain and Portugal to be used to make a general re-examination of the activities of the Social Fund, to be carried out without further loss of time in 1986.

Didò

The Council of Ministers for Social Affairs examined the question on 5 December last, and defined its own guidelines with regard to the adjustment of the Social Fund in the light of the accession of Spain and Portugal without, unfortunately, awaiting Parliament's opinion, even though, as has been stated, that will not prejudice the opinion that we will adopt tomorrow evening or the following evening. Let us hope that that is the case, because we must remind the Council that our Parliament claims the right to be involved, as of right, in any change in the operation of the Social Fund.

In the new proposals that the Council would apparently approve there are two changes to the Commission's first proposals. First, the reserve of 40 per cent for top priority regions is immediately raised to 44.5 per cent for the next three years, from 1986 onwards. Secondly, it is said that the Council might be inclined to reconsider its proposals in 1987 on the basis of a report from the Commission and any proposals it may make.

Mr President, I think that — in spite of everything — these decisions are still a long way from our proposals, not least because we still do not know the level of the resources that will be allocated to the Social Fund in the 1986 budget: and in any case we are not just asking for consideration to be given to the possibility of changing its decisions as set forth, but to decide that, during 1986, the Commission shall present new overall proposals to improve the aims of the Social Fund and make them more concrete.

For this reason, Mr President, whilst we note the readiness of the Council to increase the percentage of the Fund's reserve for the top priority regions of the Community, we insist in our motion for a resolution on the need for the Council to:

- (1) accept our 1986 budget proposals for the Social Fund,
- (2) accept our call to commit the Commission to present new proposals for a better, more precise definition of the Social Fund's aim by the end of 1986.

Otherwise, we reserve the right to initiate the conciliation procedure.

This, then, Mr President, ladies and gentlemen, is the report that accompanies the motion for a resolution that was unanimously approved by the Committee on Social Affairs and Employment.

IN THE CHAIR : LADY ELLES

Vice-President

Mrs d'Ancona (S). — (NL) Madam President, the latest edition of Euro-barometer, the survey of public

opinion in the European Community, reports on what people in the Community think of the accession of Spain and Portugal. It was found that the majority of the Community's citizens doubt that the accession of these countries will be to their own country's advantage. Some even thought nothing would be gained. On the other hand, 70% of the respondents felt the accession of Spain and Portugal would do good, but despite this, only 11% of the Community's citizens were opposed to their accession. Over 60% were in favour.

Madam President, what do these figures tell us? I believe they tell us that the ordinary people living in the Member States have a greater feeling of solidarity than those who govern them. The ordinary people obviously realize that the accession of Spain and Portugal will above all be good for the future of these countries themselves. I find that more welcoming for the new Member States than the Council's and Commission's attitude in this respect: the welcoming words of old sounded fine, but now that they have to be translated into deeds, there is a considerable gap between dream and reality.

Now that Spain and Portugal may call on the Social Fund, it is clear that allowance has not really been made for the newcomers. With their accession the total working population in the Community will after all rise from about 117 to almost 135 million, which in itself is likely to increase the need for recourse to the Social Fund. But what is more serious is that, by the Fund's own criteria, the working population in areas with absolute priority will rise from 13 to over 23 million and in priority areas from 54 to over 61 million in priority areas.

The proposals relating to the expansion of the Fund and the proposed percentage increase seem to take absolutely no account of these factors, the fact that there is serious and long-term unemployment in the new Member States, that there are areas in these new Member States which have to contend with innumerable obstacles to development and growth. But important as it is, money is not the only issue: there is also the lack of information, which makes it very difficult to assess specific situations in the new Member States. Research should have been carried out to permit an assessment of these specific situations and so enable the Fund directives to be adjusted and extended.

It seems as if it was hoped that handing in this sloppy homework too late would prevent Spain and Portugal from calling on the Fund. This has obviously not succeeded. Numerous applications are apparently on their way from Spain and Portugal. And rightly so, because they should leave no stone unturned in their efforts to do something about their rising unemployment rates. That is why it is a good thing that, despite the shortcomings I have mentioned, the present directives are being taken as a basis for the processing of applications for Fund resources received from the new Member States. But, as the Didò report indicates, the situa-

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tion of the Fund as a whole will be reviewed again in 1986, not 1988. Let us hope that we are then still able to make it clear to our fellow members Spain and Portugal that they are really welcome.

Mr Tuckman (ED). — Madam President, I am very pleased to talk about this report, because it does hinge onto the joining of Spain and Portugal. I have had the interesting time of being able to go to Spain twice in the last two months — once with the Committee on Social Affairs and Employment — and there are a lot of problems, but also a lot of opportunities there.

I do wish that what we had before us was better adapted to what we have to do. On a whole range of issues we are really in the dark. First of all, nobody in this House can tell us at all what kind of funds we shall have available in 1986. The budget, as far as I can understand it, is a complete mystery. I only hope there will be enough to meet the obligations which we have and which we may take on in addition with this report.

Whether this matter should then be checked after a year or after three years pales into insignificance against that. Equally unclear, of course, is whether there is any very good sense behind these figures that are before us, whether it should be 42.5, 43.5 or 44.5% as against the 40% which is being paid out now for these super-priority areas. Then, of course, we have in front of us a number of amendments which suggest that further countries or areas should be given super-priority too. What I always find very interesting in this Parliament, in which we are expected to think as Europeans in a global manner, is that where a country is proposed for an extra benefit it usually is by one of its own nationals. I do not know what that tells us, but we do not seem to have got the Euro-spirit yet in its full measure.

Talking about the Social Fund as a whole, I think that Spain and Portugal will also find that it looks better in its wrapping than after they have opened it up. There is this enormous difficulty, first of all, of how you go about making an application. I know of one or two cases which have been highly deserving and in themselves have qualified, but because they fall between departments, they are out. I hope very much that it will be possible to do something about that kind of thing in the next year or two. Similarly, once you have got your money and have been told to go ahead, you hear that something is held up and you can only get the extra funds after a time, so you have to fund yourself.

On the whole, Madam President, we are in favour of what Mr Didò wants to do. We have no great objection against the way the Council wants to change things, and the fact that we hear they have taken the intelligent management step of saying, 'Well, supposing Parliament comes up with its answer, we will then do so-and-so' — that to me is a benefit, not a crime.

Mr F. Pisoni (PPE). — (IT) Madam President, the accession of Spain and Portugal to the European Community makes it necessary to revise the European Social Fund as a matter of urgency, since this instrument has to operate in two new countries that have a particularly serious unemployment situation and considerable regional development problems.

It immediately seemed obvious that, with the entry of these two new countries, the list of top priority regions, to which are at present allocated 40 per cent of the Fund's appropriations, was going to get longer.

But the extension of the top priority regions cannot be carried out at the expense of other priority regions, nor of other regions without priority. For this reason the European Commission felt it should increase the intervention percentage in these regions.

However, a difference has emerged between the proposals of the commission and those of the Committee on Social Affairs, as set out in the Didò report: we should like to congratulate Mr Didò on his excellent report.

If, for 1986, we can in fact accept an increase in the intervention percentage that raises it to 42.5 per cent in the priority regions, we have very good grounds for considering this percentage, like the Commission's other proposals for subsequent years as well, to be far short of what is really necessary. These assessments do not appear to be based on concrete facts, since the identification of the long-term seriously imbalanced regions is not based on reliable data. That leaves Spain's request to extend the aid — in accordance with Article 3 — to Asturia and the province of Teruel, and we know, furthermore, the Council's decision to reach a figure of 44.5 per cent within a few years.

One fact on the other hand is certain — the very appreciable increase, amounting to 77 per cent, in the active population of the top priority regions as a result of enlargement. And this is already a sufficient reason for believing that the intervention percentage in the case of priority regions should not be under 50 per cent.

Still less account has been taken of the real necessities of the acceding countries, in terms of budget appropriations. The 330 million ECU provided by the Commission far from reflects the seriousness of the employment situation and the structural difficulties of the acceding countries.

It is for this reason that, although for the obvious operational needs of the Fund we accept the changes proposed for 1986, we consider it essential that, at the end of this year, a review is carried out of the procedures and the intervention percentages of the Social Fund, in the light of the data that has been acquired in the Portuguese and Spanish regions.

F. Pisoni

But, if we are to avoid the proposals for 1986 also being rendered useless by the inadequacy of the financial resources, and a solution being sought to the detriment of the other regions of the Community, we fully agree with the Committee on Social Affairs, which makes the acceptance of these modifications subject to an effective increase in budget appropriations.

We cannot moreover ignore the fact that the accession of these two countries makes it still more urgent to improve the intervention procedures of the Fund, giving the greatest emphasis to the principle of geographical and qualitative concentration of the Fund's measures. The Social Fund must act with priority in those regions that are characterized by more serious structural imbalances, a high rate of unemployment, and the need for conversion and vocational re-training. The provisional data in our possession already show that the number of demands for aid under the Social Fund submitted by Spain and Portugal far and away exceed the Fund's available resources. This makes it all the more important, not only to have adequate financial resources, but to concentrate the aid provided in the most effective manner.

Even if the request for an increase in the Fund, which is again made by the Committee on Budgets of the European Parliament, were accepted in full by the Council, it would not give the 10 countries of the present Community greater resources than they had in the past; yet the Fund is being given new tasks.

Only if the increase is adequate, and the resources concentrated, will the European Social Fund be able to have any good effect on the social and employment situation in the two new Member States, working not as a mere distributor of aid but as an effective, stimulating instrument, an expression of Community solidarity. Only then, also, will it be possible to maintain its present level of effectiveness in the present 10 Member States — a level of effectiveness that we all know to be insufficient, and that no one is prepared to see weakened still further.

As we have said, for all these reasons we need to rethink the Fund generally and what its aims should be: and that is what we mean when we signify our agreement to the Commission's proposal for one year only.

Mr Fitzgerald (RDE). — Madam President, on behalf of the Group of the European Democratic Alliance, I would like to thank the rapporteur for his work on the Commission's proposals amending the European Social Fund to take into account the accession of Spain and Portugal. At the outset I would like to say how much I welcome the entry of these two democratic countries into the Community. They are rich in culture, language and history. The heritage which they will bring to the Community will benefit us all.

With a population of 320 million people the European Community's greatly extended internal market will offer new opportunities and challenges but we will also be faced with problems. There is no single task that is more demanding of our patience, time and energy than the awesome fight against unemployment. In the Community context the sword we hold is the Social Fund. It is a sword blunted by a succession of ruthless and cynical cuts by the Council of Ministers. The continuing lip service that is paid to fighting unemployment by the Council and the Heads of State or Government cannot be allowed to continue.

After the disgraceful treatment of the budget by the Council, we want a binding commitment that the necessary budgetary resources to enable the Social Fund to work effectively will be provided not only for the present Member States but also for Spain and Portugal with particular account being taken of the proposed increase in the number of super-priority areas. How can grandiose plans for the future of Europe be contemplated while Europe lurches from one unemployment crisis to another?

From 1 January next many more millions will be added to our unemployment statistics. At this point my own country still enjoys the unenviable distinction of having the highest unemployment rate in the Community. It is still rising. The real situation is largely concealed by a high level of immigration which is now estimated at 15 000 per annum. The European Social Fund cannot continue to work on a shoe-string. Without question, enlargement will add substantial pressure to the capacity of the Social Fund to absorb the increased number of applications for aid that will follow. Already there have been considerable fears raised in my own country, a super-priority area, that next year the level of support we receive will be reduced. This is a deplorable situation. My group fully supports the proposal that the overall appropriation for the newly-defined super-priority areas should be raised from 40% to 42.5% on 1 January. We would add, however, that this increase is the very minimum we can accept. We would far prefer to see the increase raised several percentage points.

The Commissioner has talked about absorption capacities. There is no shortage of projects to take up Social Fund aid. We are all well aware that the Social Fund is already considerably over-subscribed. I would like to draw Parliament's attention to the amendments tabled by my colleague, Mr Musso. I had the pleasure of visiting Corsica last year and can fully subscribe to the views expressed in his amendments. Southern Corsica and Upper Corsica should be included in the list of regions with absolute priority. The second periodic report on the economic and social situation and the development of the regions of the Community clearly underlines their position in relation to the other Community regions and in relation to the criteria used by the Commission to decide which regions in Spain and Portugal should be defined as super-priority regions.

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Southern Corsica and Upper Corsica have a low GDP per gainfully employed person with a high rate of structural unemployment and are experiencing acute regional problems. The second periodic report measures the relative severity of regional problems on a Community-wide basis. The regions with the most serious problems are on the periphery of the Community and include Corsica.

My own Amendment No 5 draws attention to the fact that no reference has been made to the annex to the guidelines of the Social Fund following enlargement which at present lists areas with high and long-term unemployment and/or undergoing industrial and sectoral restructuring where aid should focus on action to promote employment. We would very much like to know whether or not the Spanish Government has submitted proposals to include in this annex regions which are not being considered as super-priority regions. For instance, what is the status of Catalonia, which my own committee, the Committee on Social Affairs and Employment, visited two weeks ago?

I want to express my thanks and gratitude to Mr Didò for the tremendous work he has done. In all honesty I must say that both the Committee on Social Affairs and Employment and this Parliament are being made total fools of by the Council. In effect, we are being asked to designate additional regions in the enlarged Community that will benefit from substantial Community funds. Will the Council ever wake up and face reality for once in their existence! Twelve into Ten won't go and that is exactly what the Council is expecting from us. As far as I and my group are concerned, we cannot and will not accept a situation in which underdeveloped countries or areas of the existing Community are being asked to make unacceptable sacrifices to cover up for the Council's lack of political will to match their policies with funds and with great regret, particularly to my colleague Mr Didò, I have to say that unless this week we receive clear unambiguous assurances that funds available in 1986 for the Social Fund will be adequate to meet the legitimate requirements of all Member States, my group will be unable to support this report.

Mr Staes (ARC). — (NL) Madam President, we can, of course, only endorse the conclusions drawn and proposals made in the Didò report. I must nevertheless point out that the Community is guilty of more than remarkable hypocrisy if this admirable report is placed in its proper context. To illustrate this, I will take one of the regions mentioned in the report, Andalusia in Spain, as an example. The social situation of the working population of this region, including its agricultural workers, is extremely poor. Unemployment is painfully high, and the agricultural workers and their families live in what are, frankly, medieval conditions, farmland being largely in the hands of large landowners who live in the cities, while those who work the land have little or no chance of acquiring farmland for themselves.

The admirable struggle to change this situation led by such organizations as the *Sindicato de Obreros del Campo de Andalucía*, the SOC, makes this abundantly clear. By occupying land, they expose themselves to inordinate legal actions, as the recent past has again shown.

When the large-scale agricultural system of this Community are let loose in these circumstances, with their agro-industrialization, their increases in scale, their chemical pesticides and the disastrous consequences they are bound to have for employment in agriculture when Spain joins the Community, unemployment and social oppression of the Andalusian agricultural workers will become completely intolerable, and the situation will be much as it is in South America. Far more young people will then be retiring at the age of 16.

It is therefore totally hypocritical to let the Community's agricultural systems loose on regions like Andalusia while using the European Social Fund, even if it is endowed with more resources than before, as a sop with which the Community and this Parliament in particular can heal a few of the wounds they themselves have caused.

Mr Sutherland, Member of the Commission. — It is regrettable that the apparent interest of Parliament as reflected by the number of people who are present this evening for this debate does not correspond to the importance of the issue we are discussing. I think it is important to say that because the issue, as a number of speakers have clearly stated, is an important one, particularly as it is related to the single greatest problem that the Community has to face, namely that of employment. It has to face that problem in the context of significant failures over a long period of time to provide adequate resources for the Social Fund which has such a very significant role which it could play in the context of Community activity. Let me also make the point by way of preliminary observation that the Council and to some extent Parliament, in the context of the incidents that have occurred in the past, and particularly the burdens of the past, bear a responsibility. We have also to face up now to the difficulties of the budgetary situation which a number of speakers have referred to.

Moving from the general to the particular, I shall now deal with the points raised in the very interesting contributions made in the context of the particular issues. As you know, the Ministers of Employment and Social Affairs met on 5 December and during the course of their discussion arrived at certain orientations — not decisions — in relation to the European Social Fund. They agreed on that occasion on the list of regions in the Member States, Spain and Portugal which would benefit from the increased rate of assistance. They also discussed the size of reserve or commitment appropriations to be allocated to the enlarged list of regions. That however is *ad referendum* and the views of Parlia-

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ment are being expressed on this particular issue today.

As regards the first orientation, it will be recalled that the Act of Accession had already specified that all of Portugal would benefit from the increased assistance. The following regions of Spain will also benefit: Andalusia, Canarias, Castilla-Leon, Castilla-La Mancha, Estramadura, Galicia and Murcia and the towns of Ceuta and Melilla. The second orientation was the major point for discussion and negotiation. The existing reserve of 40%, as the honourable Members will know, applies to Greece, the French Overseas Departments, Ireland, the Mezzogiorno and Northern Ireland. There was a discussion on this particular subject conducted in the context of the original proposals put forward by the Commission. Those original proposals, as Members have pointed out, allowed for a graduated scale of percentage for the super-priority regions during a period of three years. As to the basis for the assessment, there are undoubtedly considerable difficulties in reaching any clear assessment of what the likely take-out in terms of applications from Spain and Portugal will be. It is totally unreal to suggest that there is any means whereby one can prognosticate with a degree of certainty what those results will be. But, what is clear, as has been stated by a number of speakers this evening, is that there will be very significant demands made on the Social Fund and significant demands will be made in the super-priority area in particular, having regard to an increased population spread of about 78% as opposed to a 15% approximate increase in the priority regions.

We also had to take into account past experience, and past experience in this regard may not be altogether valid. Past experience in the immediate past comes from the accession of Greece. So the assessment was of necessity an extremely difficult one to conclude with certainty. That difficulty was compounded by uncertainties with regard to the budgetary situation, which have not, as at the time of my speaking this evening, been clearly resolved.

It was in the context of the information available to us — and which is growing almost daily, thereby providing some degree of knowledge as to the probable number of applications which will come from the acceding countries — that the proposal for a tentative figure of 44.5% remaining constant during the three year period was reached. It is acceptable to the Commission, notwithstanding the somewhat different position that had originally been taken. All we can say to Parliament is that insofar as our assessment can develop and has developed, it has done so in a way which suggests that the figure of 44.5% over the three-year period is a more appropriate figure than that originally established on the basis of the best objective criteria — however limited they might be — available to the Commission. The Council asked the Commission to report on implementation before 30 June 1987. In other words, the Council indicated

that this was the way that it was inclined to go with regard to addressing this issue on the basis of proposals which the Commission might make.

It is very important, in the context of the debate which has taken place, and the points of view expressed, to make one point, which I think may be of considerable assistance to the rapporteur and to Parliament. It is this: the proposal which the Commission will implement in that regard, should it be the final conclusion of this issue, is that the Community and the Commission in particular will be reviewing a substantial part of the rules of the Fund well in advance of 1988 and that the first assessment of the operations of the Social Fund in the enlarged Community will begin in 1986. That assessment can only begin in the latter part of 1986 because only then will the direction the Fund is taking following accession become apparent and only then will it be clear how it will develop in the subsequent period. This undertaking goes a considerable way toward meeting the request of Parliament, that a review of the original decision should be carried out in 1986. The review will be carried out in 1986. We cannot believe that it will be concluded in 1986 because it is obviously going to be a major significant effort.

The European Council in discussing the Treaty of Rome and its amendment adopted a text requiring the Commission to submit proposals to clarify and simplify the rules of all the structural funds including the Social Fund with a view to increasing the level of efficacy and coordination. This to be done within one year after the implementation of the Treaty.

I think it is important also to take that factor into account in the context of the discussions which we have had this evening.

The view of the Commission must remain that it will be difficult to draw comprehensive conclusions on the working of the Fund in relation to Spain and Portugal after only one year of operation in those countries. Experience suggests that we will require a longer period. Therefore, the Commission would support the position that appears to be emerging in the Council — a position which, I think, is compatible with the overall thrust of the position which has been identified here this evening, particularly by Mr Didò — that the consideration of this issue will take place in 1986 and will continue until it is completed in 1987.

As regards the percentage of credits reserved for the absolute priority regions, I have already touched on this subject during the course of my earlier observations. The recommendation of Parliament was for 42.5% for 1986 with a review in 1986. Because of the reasons that I have explained, I think that it would be impossible to carry out effectively that review process during the 1986 period and it will take until 1987 to conclude it.

I think that the Council preference as identified — 44.5% for the period of 1986 to 1988 — is reasonable,

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with a review, of course, in 1987. The Commission believes that a higher percentage is justified in the context of the information which we now have insofar as it has been possible to gauge it. Of course, even at this stage it is difficult to come to conclusive judgments about it. Certainly the extent of applications gives rise to the belief that the 44.5% for the three years, i.e. a higher figure than the one originally suggest, would be a more appropriate one. Of course, one takes into account the legitimate concerns of Spain and Portugal. One does so, however, within the confines of a very limited budget and a limited budget which in part is damaged by the burdens of the past, which, as I have indicated, there is a high degree of responsibility for and which creates considerable difficulties for us.

With regard to the position which the Council has taken in a preliminary way, it seems to us that within the bounds of what is possible it is probably a reasonable approach. I will, of course, report to the Council the conclusions of the deliberations of Parliament and the views that you have reached in regard to this matter. Therefore they will be taken into account. As I say, the conclusion of the Commission would be, however, that, on the basis of the information that we now have, the 44.5% is a more realistic figure. I should say also that the Commission regrets that the Council has not seen its way to adopting the budget for the Social Fund as voted for by Parliament during its first reading. It will be recalled that Parliament sought 2.51 billion ECU and the Council have proposed 2.29 billion ECU. One hopes that there will be a satisfactory conclusion to this matter. It is necessary, if the Fund is to be allowed to operate, that a final decision on all of the points that we have spoken of be taken by 31 December 1985. During the negotiations on accession it was agreed that the Community — which, of course, included Parliament — would make all necessary decisions before the end of the year. Given that these negotiations have taken 8 years, I think it reasonable to call on all concerned to cooperate to ensure that the Community keeps its word to the new Member States and reaches a final decision as expeditiously as possible.

With regard to the specific amendments, before I conclude, the Commission is obliged to take a negative position on the amendments which have been proposed to the draft decision, Amendment No 1 and Amendment No 2. However, in taking that negative position, I have indicated — I hope in a manner which may give some consolation to Parliament — that our opposition is based on justifiable reasons and also that in the event of Parliament adhering to a view which does not correspond to that of the Commission I will, of course, report to the Council the views expressed by Parliament.

In conclusion, I would invite Parliament to endorse the orientations which the Council of Ministers have

taken, which, I think, in the context of what we now know, are the most appropriate that can be adopted as this time. The Commission believes that these provide workable and fair solutions which can be carried out from 1 January 1986. I do not want to be repetitious, but I would again draw attention to the absolute importance of proceeding with the disbursements of the Social Fund and the operation of the Social Fund in the new context from the beginning of next year and to the very great hardship that otherwise might be caused to the regrettably few deserving applicants who are going to gain by these disbursements throughout the Community in the course of the next year.

Mr Welsh (ED). — Madam President, in view of what the Commissioner has said, and having consulted the rapporteur this afternoon, I believe it would be the Committee's wish for the vote on this matter to be postponed until Thursday evening so that we can be clearer about the budgetary situation.

I make this formal request now so that the Chair may put it to the House tomorrow morning or at whatever time may be convenient to you.

President. — Mr Welsh, in accordance with the Rules of Procedure as I understand them, I have to announce that the vote will be taken tomorrow at 7 p.m., but if you raise this matter when the agenda is read out at the sitting first thing tomorrow morning, you will be able to put your objection and we will be able to take a vote.

Mr Welsh (ED). — Madam President, that, of course, is fine, but I was advised by your services that the oral request had to be made during the debate and that is why I have made it now.

President. — I think it would be advisable if you were here first thing tomorrow morning when the agenda is read out and you can put your request formally so that a vote can be taken. It is quite clear that I could not ask the House to vote on that tonight.

Mr Welsh (ED). — You are a hard woman, Madam President!

President. — The debate is closed.

We have taken note of your request, Mr Welsh, but the vote as things stand at the moment will be taken tomorrow at 7 p.m.¹

(The sitting was closed at 11.15 p.m.)

¹ *Agenda for next sitting: see Minutes.*

ANNEX

Commission action on European Parliament opinions on Commission proposals delivered at the October and November part-sessions

This is a report on action taken by the Commission on amendments adopted at the October and November part-sessions within the framework of parliamentary consultation and on disaster aid as arranged with Parliament's Bureau.

The reports adopted by Parliament at its first October part-session and referred to in the November report on action taken are dealt with here only if new factors have emerged in the meantime.

I. COMMISSION PROPOSALS TO WHICH PARLIAMENT PROPOSED AMENDMENTS THAT HAVE BEEN ACCEPTED IN FULL BY THE COMMISSION

The Commission has amended its original proposal to incorporate the amendments advocated in the following report:

Report by Mr von Wogau, adopted on 15 November (PE A 2-144/85), on the proposal for a Decision relating to the coordinated development of computerized administrative procedures (C.D. project) (COM(85) 285 final)

The amended version makes it clear that the computerization of procedures should not result in the submission of further demands for data or in the introduction of additional computerized equipment at internal frontiers. It also reflects the presentation requested by Parliament in respect of the provisions relating to the committee for the implementation of the C.D. project.

Commission position at debate: verbatim report of proceedings, 15 November 1985, p. 283

Text of resolution adopted by Parliament: Minutes of 15 November 1985, Part II, pp. 17-22

Amended Commission proposal: COM(85) 694 final of 3 December 1985

II. COMMISSION PROPOSALS TO WHICH PARLIAMENT PROPOSED AMENDMENTS THAT HAVE BEEN PARTIALLY ACCEPTED BY THE COMMISSION

(a) The Commission has amended its original proposal to incorporate the amendments it accepted in plenary session in relation to the following report:

Report by Mr McMillan Scott, adopted on 15 November (PE A 2-141/85), on the proposal for a Decision adopting a Community action programme in education and training — Comett (1986-1992) (COM(85) 431 final)

The amended version defines certain technical aspects of measures under the Comett programme (fellowships for industrial staff on *secondment* to universities, use of open learning systems, *especially television*) and provides for the presentation of an annual progress report to Parliament and the Council.

Commission position at debate: verbatim report of proceedings, 15 November 1985, pp. 293-294

Text of resolution adopted by Parliament: Minutes of 15 November 1985, Part II, pp. 23-30

Amended Commission proposal: COM(85) 690 final of 27 November 1985

(b) The Commission is amending its original proposals to take account of the amendments it accepted during the debate on the following reports:

Report by Mrs van Rooy, adopted on 25 October (PE A 2-116/85), on the proposal for a Regulation laying down measures to discourage the release for free circulation of counterfeit goods (COM(84) 705 final)

Report by Mr Turner, adopted on 25 October (PE A 2-119/85), on the proposal for a Regulation laying down measures to discourage the release for free circulation of counterfeit goods (COM(84) 705 final)

Commission position at debate: verbatim report of proceedings, 24 October 1985, pp. 243-245

Text of resolution adopted by Parliament: Minutes of 25 October 1985, Part II, pp. 1-8

Report by Mrs Fontaine, adopted on 14 November (PE A 2-139/85) on the proposal for a Directive on a general system for the recognition of higher education diplomas (COM(85) 355 final)

Commission position at debate: verbatim report of proceedings, 13 November 1985, pp. 170-171

Text of resolution adopted by Parliament: Minutes of 14 November, Part II, pp. 7-18

II. COMMISSION PROPOSALS IN RESPECT OF WHICH PARLIAMENT DID NOT REQUEST FORMAL AMENDMENTS

Report by Mrs Heinrich, adopted on 25 October (PE A 2-125/85), on the Commission proposals on:

I. the review of the European Community's generalized tariff preferences scheme (COM(85) 203 final);

II. the fixing of the Community's generalized tariff preferences scheme for 1986 (COM(84) 425 final)

Commission position at debate: verbatim report of proceedings, 24 October 1985, pp. 261-263

Text of resolution adopted by Parliament: Minutes of 25 October 1985, Part II, pp. 14-17

Report by Mr Chiusano, adopted on 25 October (PE A 2-123/85), on the proposal for a Decision empowering the Commission to borrow under the New Community Instrument for the purpose of promoting investment within the Community (COM(85) 250 final)

Commission position at debate: verbatim report of proceedings, 24 October 1985, pp. 261-263

Text of resolution adopted by Parliament: Minutes of 25 October 1985, Part II, pp. 14-17

Report by Mr Hutton, adopted on 15 November (PE A 2-138/85), on the proposal for a Regulation amending Regulation (EEC) No 1787/84 on the European Development Regional Fund (COM(85) 331 final)

Commission position at debate: verbatim report of proceedings, 14 November 1985, p. 263

Text of resolution adopted by Parliament: Minutes of 15 November 1985, Part II, pp. 11-12

Interim report by Mr Croux, adopted on 15 November (PE A 2-132/85), on the Commission communication on the draft ECSC decision concerning the Community system of measures to assist the coal mining industry (COM(85) 525 final)

Text of resolution adopted by Parliament: Minutes of 15 November 1985, Part II, p. 1

Report by Mr Croux, adopted on 15 November (PE A 2-131/85), on the Commission communication to the Council concerning an amendment to its Decision concerning coal and coke for the iron and steel industry in the Community (COM(85) 419 final)

Text of resolution adopted by parliament: Minutes of 15 November 1985, Part II, P. 2

III. COMMISSION PROPOSALS IN RESPECT OF WHICH PARLIAMENT PROPOSED AMENDMENTS THAT THE COMMISSION HAS NOT FELT ABLE TO ACCEPT

Report by Mr Cornelissen, adopted on 15 November 1985 (PE A 2-126/85), on the proposal for a Regulation extending the term of validity of Regulation (EEC, Euratom ECSC) No 2892/77 implementing in respect of own resources accruing from value-added tax the Decision of 21 April 1970 on the replacement of financial contributions from Member States by the Communities' own resources and on the report from the Commission on the implementation of Council Regulations (EEC, Euratom, ECSC) Nos 2891/77 and 2892/77 of 19 December 1977 implementing the Decision of 21 April 1970 on the replacement of financial contributions from Member States by the Communities' own resources (COM(85) 170 final)

Commission position at vote: verbatim report of proceedings, 15 November 1985, p. 278

Text of resolution adopted by Parliament: Minutes of 15 November 1985, Part II, pp. 3-7

IV. INFORMATION ON EMERGENCY AID GRANTED IN NOVEMBER

(a) Intra-Community emergency aid

None

(b) Emergency aid to non-member countries

Financial aid

Country or recipients	Amount	Grounds	Administered by	Date of Decision
Colombia	500 000 ECU	Volcano eruption	Médecins sans frontières (NL) Licross	15 November
Colombia	1.5 million ECU	Volcano eruption	Médecins sans frontières (NL) Licross Other NGOs	20 November
Poland	2.5 million ECU	Emergency medical aid	Caritas (B/D/DK/NL) Red Cross (D/DK) Medical Aid for Poland (UK) Red Barnet (DK) Médecins sans frontières Lazarus Hilfswerk (D)	19 November

Kampuchean refugees at the Thai frontier	300 000 ECU	—	UNBRO WFP	20 November
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Food aid

<i>Country or recipients</i>	<i>Products</i>	<i>Grounds</i>	<i>Administered by</i>	<i>Date of Decision</i>
Vietnam	2 000 t cereals 200 t dried fish	Typhoon	Trocaire CIDSE	4 November
Cape Verde	2 000 t cereals	Drought	ICRC	6 November
Refugees in Angola	4 640 t cereals 300 t butteroil 300 t beans	—	ICRC	20 November
Sudan	500 t butteroil 750 t sugar 1 million ECU for 1 250 t beans	Famine	Danchurch Aid	22 November
Ethiopia	20 000 t cereals	Famine	Relief and Rehabilitation Cooperation	27 November
Ethiopia	800 t sugar 5 500 t cereals 1 000 t butteroil 1 million ECU for 1 250 t beans	Famine	ICRC	27 November

SITTING OF WEDNESDAY, 11 DECEMBER 1985

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IN THE CHAIR: MR PFLIMLIN

President

(The sitting was opened at 10 a.m.)

Mr Graefe zu Baringdorf (ARC). — *(DE)* Mr President, yesterday there was a demonstration in front of Parliament by sheep farmers from Alsace, who were trying to draw attention to the difficulties of their situation, for which we have to answer with our agricultural policy of applying economic pressure to small and medium-sized farms. The existence of many of these farms is in jeopardy. The policy has a particularly drastic effect in the climatically and structurally disadvantaged areas of Alsace.

What I want to emphasize, however, is not the problem of the agricultural policy but the behaviour of the police during the demonstration. Instead of welcoming the demonstration, the police put on a show of strength and there was then a regrettable incident involving the police. The sheep farmers had a herd of sheep with them and when they tried to allow them to graze on the lawns in front of Parliament, they were prevented by the police. When they persisted the police used tear gas.

I ask myself what our society is coming to when the police have to use tear gas against demonstrating farmers and sheep? Might it not be better for Parliament to set limits to a destructive agricultural policy, which is threatening the existence of these farmers? And might it not be appropriate for the Presidency to concern itself with this incident and to guarantee the right of farmers to demonstrate without hindrance? Should it not — if it is within its power to do so — curb the police somewhat under such circumstances?

President. — I have taken note of your remarks. Naturally I would welcome any information on what exactly happened. However, these incidents did happen outside the building where we are sitting, and I would remind you that the important thing is that our Assembly should be able to carry out its work freely without being subjected to pressure of any kind. That, in my opinion, should be our primary concern.

(Applause)

Mrs Veil (L). — *(FR)* Mr President, since this point of order was concerned with the common agricultural policy and the matter of who was responsible for this demonstration by sheep farmers, I wish to say that, on the contrary, this demonstration gave a number of Honourable Members, including myself, an opportunity to hear what the sheep farmers had to say, here, inside the building. There was a meeting with them

and, far from maintaining that the common agricultural policy was threatening the future of sheep-farming, they simply called for a number of improvements and asked for the support of the European Parliament. I therefore emphatically do not accept the interpretation just made of the sheep farmers' presence here outside Parliament; we gave them the meeting that they had asked for.

(Applause from the right)

Mr Pearce (ED). — Mr President, I would like to ask you whether, during the course of this week, you will make a statement to Parliament about the decision taken yesterday by the Bureau to increase by 25% the allowances paid to Vice-Presidents, Quaestors, committee chairmen and other office-holders in the Parliament. While most people would believe that you, as our President, and the group chairmen merit increased allowances, it seems unacceptable to most of us to pay extra sums in allowances to the Vice-Presidents and the Quaestors. Will you make a statement about that this week, please?

President. — The Bureau's decisions are published in the Bulletin, where every Member of the House can consult that. It is not customary to make special announcements about individual Bureau decisions.¹

1. *Approval of the Minutes*

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

Are there any comments?

Mr Ford (S). — Mr President, on page 27 of the English version of the minutes it says that the President declared the debate on the Evrigenis report closed. I think that should read 'adjourned', because the statement read to us yesterday at 3 p.m. indicated that that would be the first round of the debate, which would carry on next year.

President. — There is no reason to correct the statement made yesterday by the Chair. The fact of the matter is that if there is a debate in January, it will not be on the Evrigenis report but on one or more oral questions that are likely to be put on what action might be taken by the Commission or the Council on the report drawn up by the Committee of Inquiry.

(Parliament approved the Minutes)²

¹ *Agenda: see Minutes.*

² *Texts of treaties forwarded by the Council — Written declarations (Rule 49) — Documents received — Conciliation procedure — Agenda: see Minutes.*

2. *European Council in Luxembourg — Luxembourg presidency and political cooperation*

President. — The next item is the joint debate on:

- the statements by the Council and the Commission on the European Council meeting of 2 and 3 December 1985 in Luxembourg;
- the statement by the President-in-Office of the Foreign Ministers on political cooperation;
- the statement by the President-in-Office of the Council on the work of the Luxembourg presidency;
- the oral question (Doc. B 2-1264/85) with debate by Mr Ford, on behalf of the Committee on Energy, Research and Technology, to the Commission on the Eureka project.

Mr Santer, President-in-Office of the European Council. — (FR) Mr President, ladies and gentlemen, the meeting of the European Council which took place in Luxembourg on 2 and 3 December last and on the results of which I now have the honour to report to you was without doubt the first for many years to have devoted virtually all its time to considering the problems of Europe's future. All too frequently in the past it has served as a court of appeal or as a forum for settling matters relating to the past, and I can therefore report with satisfaction that the 31st European Council devoted itself to a great extent to an in-depth and fruitful discussion of

- the text of a draft Treaty on European Cooperation in Foreign Policy, and
- the details of changes to the Treaty of Rome.

Both of these matters have already received the attention of the European Parliament, which can in both cases legitimately claim the privilege of having been at the birth of the train of ideas which have led the Heads of State and Government to translate these two grand designs into reality.

At first sight the 'Political Cooperation' treaty appears to be no more than the codification of the long-standing practical political cooperation of the Ten, and shortly the Twelve. The conversion of purely conventional arrangements into a formal Treaty would in itself be a considerable step forward. But contrary to the apparently widely-held view, this draft Treaty does comprise a number of innovations, whose overall effect is to strengthen the procedures and means of cooperation in foreign affairs.

The Treaty goes beyond the Stuttgart declaration, which itself had laid down a number of rules and pro-

cedures for political cooperation, in particular by giving particular responsibility to the Presidency and the Commission to ensure consistency between European Community foreign policy and the policies agreed as part of political cooperation.

Political Cooperation will, as in the past, be conducted according to the rules of intergovernmental cooperation, and though these rules may not be imperative in form, they have none the less gained in clarity and their systematic application will form the basis of a more evident and more effective solidarity.

The reciprocal obligations to advise and consult are stressed. Such consultations must take place before Member States finally define their attitudes, in such a way that they can result in the effective definition and implementation of common European positions.

Further, the Twelve will avoid any action or adoption of a position likely to undermine their effectiveness as a cohesive force in international relations and within international organizations.

Another important innovation is the undertaking to refrain as far as possible from preventing the emergence of a consensus and the joint action which might result from it.

As regards security, the Treaty includes both old and new. The old aspect is that cooperation as regards security is restricted to its political and economic aspects. What is new is that every Member State recognizes that closer cooperation on questions of European security will contribute to the development of a European identity. What is also new is that for the first time Member States will be asserting their determination in treaty form to maintain the technological and industrial resources necessary for their security.

I would personally have wished the European Council to have gone further in the matter of security policy. The European Parliament will, of course, continue to be closely involved in political cooperation. The new Treaty specifically requires the Presidency to ensure that due account is taken of the views of Parliament.

A great deal of discussion has been devoted to the problem of setting up a secretariat. A reasonable compromise has been found in the decision to set up an 'operational' secretariat which will give material and practical support to the successive Presidencies, and thus in particular provide a support to the Presidency through continuity of action.

Will the Treaty on European Political Cooperation be included amongst the changes made to the Treaty of Rome? There are arguments for and against having one single treaty and a series of specific treaties and, in accordance with the instructions of the European Council, the Ministers for Foreign Affairs will in the coming days have to decide on this question. As you

realize, it is a question which goes far beyond the mere problem of presentation, which is the light in which some people appear to see it.

Mr President, it is only five months since I reported to you on the outcome of the Milan European Council and had the opportunity to state the Presidency's view of the aims and ambitions behind the unusual and significant step of calling an Intergovernmental Conference to amend or add to the Treaty. It was agreed at that time that I would report at your December part-session on the progress made by this Conference which, as you know, was the principal topic of discussion and decision-making at the 31st European Council in Luxembourg on 2 and 3 December.

The idea of updating our political, economic and social objectives, and at the same time adapting the institutional framework, appeared vital to most of the Member States' governments. Your Parliament had itself initiated the process with its draft Treaty establishing the European Union.

The texts adopted by the European Council do not cover all the fields dealt with in the preparatory work of the Intergovernmental Conference. It was apparent from the outset, in fact, that it would prove impossible in the space of a few months to cover all the ground covered in the Treaties as a whole or even to include in the discussions all the proposals in the European Parliament's draft.

The choice thus lay between amendment, in a limited number of fields, and a Conference which would result in a veritable remoulding of the Treaties, with the political risks that such an operation would undeniably entail.

The Community is a living organism, obliged to adapt constantly to changing realities, both internally and externally. It is an original creation, unprecedented in history and therefore unable to base itself on any model. Its transformation into a European Union, which, whatever one may say, has already begun, will owe its success more to new forms of solidarity and cooperation than to the genius of its architects.

The texts drawn up by the European Council should thus be considered as an extension of the present Treaties. This draft Treaty is intended to draw a number of conclusions from the development of the Community since its inception and at the same time to constitute an opening and a framework for the future developments which we sense or hope will take place.

Under the aegis of the original Treaties, the European Communities have passed the milestone of their first quarter-century. The Community of the Six has blossomed, even though some of the present Member States were originally sceptical about its success. In a few weeks, our Community will comprise twelve Member States. Thus what some of the founder mem-

bers, despite their assertions to the contrary, viewed from the start with certain misgivings, to say the least, has become a reality.

The political and economic points of reference have changed. The common market of yesteryear has proved to be insufficient to constitute the genuine economic, social and cultural entity to which our peoples aspire. Our methods and procedures are still as they were at the start, and have even been distorted by the ever-present temptations of a nationalism which, if we are honest, it is not easy to overcome and which each of us feels as a kind of primary reaction, not to say a natural reflex.

The world is changing, and changing very quickly, and the national peculiarities which we all have are decidedly difficult to reconcile with the demands of the larger European entity. It seems to be a case of two steps forward and one step back.

Ten years ago, our predecessors opted firmly in favour of the direct use of democratic legitimacy as a means of promoting integration. Thus it was decided, with this in mind and in agreement with our national parliaments, that the European Parliament would henceforth be elected by universal suffrage. This introduced into the process of European integration a new dimension with consequences which have still to be fully assessed.

But at the same time it was also felt that there was a need for a stronger injection of economic integration or, at least, economic cooperation going beyond the traditional level of cooperation, even if this was supported by the inestimable contribution of the Institutions. Thus both you in Parliament and the governments of the Member States felt the need to adapt to the new conditions prevailing as we near the end of the century.

All the political initiatives of these last few years — the Solemn Declaration of the Stuttgart European Council, your draft Treaty establishing a European Union, the Dooge report, to name but a few — have agreed on the need to adapt the objectives of the European Community and the rules of cooperation between its Member States, as well as the working of its Institutions. This is what led to the convening of the Conference of the Governments of the Member States.

The time available for carrying out such an important and complex initiative was short, perhaps too short. But in fixing such a tight deadline, the Heads of State or Government were clearly anxious also to carry out quickly what could be achieved by common accord rather than allow negotiations to drag on when it was generally recognized that time would probably not bring about any improvement.

It is in fact vital that at a given moment we should be able to measure clearly and precisely how far our com-

mon will to achieve something actually extends. This common will, needless to say, depends of necessity on the amenability of political and economic forces both nationally and at European level.

When the Luxembourg Presidency found itself, following the Milan European Council, responsible for channelling a broad flow of ideas into the concrete mould of a Treaty, it had to face the choice of either

- cultivating the many differences of opinion between Member States or, indeed, between Parliament and some Member States;
- or trying to seek out a joint position within the Conference at the highest possible level.

As I said to the European Parliament last July, the Presidency — which, in this case, expressed the opinion of the majority of the Member States' governments — deliberately and resolutely chose the path of an agreement which could receive the unanimous support of all the Member States. This choice — which I still believe to be the only realistic one — has led us to the results that I am presenting to you today.

As with the outcome of all major negotiations, the terms of the agreement are no doubt not ideal for anybody. The diversity of opinions and interests and the varying degrees of amenability led us to adopt a number of compromise solutions whose principal virtue is, perhaps, that they have been criticized equally vehemently by those who think they don't go far enough and by those who think they go too far.

But if a reform is moderate in its ambitions and represents a level of consensus emphasizing what is possible rather than what is desirable, this does not mean that its true significance should be underestimated.

Mr President, around a central theme — setting up and consolidating a single large market — are grouped several priority themes, directly linked with the single market. Whereas the European Parliament's draft Treaty is woven around a constitutional framework, the texts drawn up and negotiated in preparation for and adopted by the European Council tend rather towards creating or strengthening a more tightly-knit economic solidarity. The result is inevitable differences in the structures as well as in the content of the texts.

The original plan to set up a single market by the end of 1992 has been amended considerably during the negotiations. Thus the final deadline no longer involves any specific legal sanction. Similarly, the number and scope of the — potential and possible but not necessarily inevitable — exemptions mean a step down from the ambitions expressed at the outset.

This part of the draft Treaty, which was and still is the benchmark for all the reforms, still retains sufficient substance and expresses the wishes of the Govern-

ments sufficiently clearly to constitute a message which will be understood by the economic operators whose responsibility it will be to carry out this grand design in our various countries.

The chapter thus devoted to the Internal Market is, appearances notwithstanding, of considerable significance. To implement it, we shall need hundreds of new regulations, directives and decisions, most of which can be adopted by a qualified majority after the conclusion of the cooperation procedure with Parliament. In other words, the power of governments to block decisions is being considerably diminished whilst the power of the European Parliament to influence the Council's final decision is being increased. It is therefore not surprising that it was precisely this part of the draft Treaty that was most fiercely discussed. In short, there will be a radical change in the Community's decision-making process.

This has been achieved only after lengthy discussions, as a result of a genuine political will.

Any suggestion of calling into question the outcome of these talks would inevitably reopen the whole discussion. You will therefore understand why the Heads of State or Government — without prejudice to the position adopted by Italy — have sanctioned with their political authority the compromises reached.

One of the most positive aspects of the Council's decision is its recognition of the Community's future monetary role.

You will have been following the day-to-day developments in the debate on this subject — a debate which has been particularly lively recently — and you know what a delicate, controversial operation this is.

By deciding to include a specific reference to the Community's monetary role in the future Treaty, the European Council has probably reached a turning-point. It is true that the ideas produced in Luxembourg were neither outstandingly bold nor couched in particularly concrete terms. It proved necessary to make allowance for certain reservations, particularly on the subject of preserving national monetary management and policy structures in a number of Member States.

The future Treaty will thus contain a reference to Economic and Monetary Union.

As regards the European Monetary System and the ECU, the future Treaty not only recognizes the existence of this system, which has hitherto been outside the Community framework proper, but also specifies the prospects for future development. When the time comes, the Treaty will have to be amended to provide the necessary legal basis for relations between Governments and monetary institutions at national level.

The reference to the monetary role was, as you know, a key factor in the positive development of the nego-

tiations as a whole. Once the stumbling block had been overcome of the initial refusal on the part of some Governments to as much as sanction the aim of Economic and Monetary Union or to recognize the existence of the European Monetary System in the Treaty, the European Council finally began to make progress towards overall agreement.

Mr President, from the very outset of the negotiations it was clear that the future geographical size of the Community and the differences in economic performance were a fundamental factor which would have to be given even greater consideration than hitherto. It is therefore essential to include some sort of 'solidarity clause' in the Treaty. The expressions adopted, which strike a delicate balance between the various positions, are doubtless not in the bold language which many would have wished.

However, the significance of this chapter lies in the fact that all the Member States acknowledged the need, for the sake of the future of the Community, for greater cohesion both internally and externally, and for using all of the instruments and measures available to the Community in order to achieve this. These instruments must be strengthened and rationalized. The future Treaty points the way. Some Governments are probably not happy about the absence of quantitative details, which were rejected on the grounds that the legal and institutional framework of a treaty is not a suitable vehicle for defining the political content, which remains the concern of the Institutions.

The technological research and development policy is at the forefront of the efforts to adapt Community policies to late 20th century conditions, as the European Parliament has repeatedly insisted.

The formulae finally adopted also strike a delicate balance between global action requiring an overall programme, and specific operations for defining and implementing which more flexible methods and procedures are to be introduced. This future framework should ensure that Community action is both consistent and effective.

At the same time a connection has been established between global action by the Community and initiatives involving a limited number of Member States. This will enable the links between the various types of action to be defined in a constructive and Community-based way, which will benefit European research and technology as a whole.

Once the provisions in this chapter come into force, they should create the conditions of confidence and cohesion which are essential if initiatives of various types, but all pursuing the similar goals, are to have the necessary clarity and generate the massive joint effort without which Europe cannot become organized and competitive and deploy its considerable resources.

The chapter on the environment also constitutes a considerable innovation. It would have been difficult for a new Treaty not to refer explicitly to a field which will have increasing influence on the direction taken by and the application of a number of policies. Outline rules have been drawn up so that Community can develop jointly in a coordinated way with the action taken by the authorities at national level.

Steps have been taken to strengthen certain provisions in the social field. As you know, responsibility for most areas in this field lies with the Member States, and it is difficult at this stage to extend the action taken at Community level.

However, the European Council recognizes the importance of a dialogue between the two sides of industry at Community level. It gives its support *a priori* to the notion of relation established by agreement at Community level, if this is deemed desirable by those directly involved. For anyone familiar with the traditional reluctance on the part of Governments to move in this direction, the inclusion of this approach in the Treaty must be a sign of a progressive change in attitudes and behaviour.

It is within this general framework, Mr President, and with particular reference to the internal market, that we should assess the outcome of the European Council with regard to the *powers and responsibilities of the European Parliament*.

You yourselves, ladies and gentlemen, have repeatedly stated that the problem of democratic powers should be seen in the context of the development of the Community and the introduction of what are referred to as 'new policies'.

Last July, when I first had the honour of addressing you, I drew attention to this link. I will admit now that the connection has proved in reality to be even stronger and closer than I at first thought. What was then merely hypothetical has now become a political factor. All the decisions taken by the European Council are on much the same level. All attempts to separate the institutional part of the reforms from the economic part or vice versa have failed to produce the hoped-for results.

I myself recognize, however, that increasing the powers and responsibilities of the European Parliament answered a twofold objective: firstly, to strengthen the decision-making process by harnessing the enormous potential of a directly elected Parliament for the benefit of future Community action, and secondly, to repair an omission which dates back at least ten years, by drawing certain logical conclusions from the fact that you were directly elected, irrespective of the development of the Community with regard to the internal market, technology and other fields.

This line of thought, which is shared by certain Heads of State or Government, was not received as well as I

Santer

had hoped. In other words, the transformation of the legislative power structure, the conditions and means for which are set out in the Treaty drafted by Parliament, has not come about. Neither the individual Governments nor the Commission can be held responsible for this. It is simply that people are not ready for the Community to develop towards European Union as quickly as Parliament would like.

Having failed to achieve this breakthrough, should we, as some people seem inclined to do, have abandoned the whole project, or should we, as others have recommended, try to find a solution to our future problems by making pragmatic changes within the framework of the current rules? I am personally convinced that history will prove right those who finally opted for what was possible. However, I am here today to give you details of the European Council's decisions and to defend them, rather than to express my personal feelings.

I should therefore first like to stress a little-recognized political fact: that the section of the reforms which deals with the powers and responsibilities of the European Parliament involves a substantial change: even if the system of joint decision-making described in your draft Treaty is not to be implemented, the 'cooperation' formula should at least be a step in the right direction. Let there be no mistake about it, a hitherto unbreachable barrier has been breached. Once the future Treaty enters into force Parliament will cease to be the consultative institution described in the Treaty of Rome, which even direct elections have been unable to change.

The Treaty is to give the European Parliament specific powers, and it was precisely this first step which gave so much difficulty. Thereafter we will have a system which can be added to and perfected.

Although leaving the last word for the Council, the Member States have introduced a system which they are well aware will set in motion a new dynamism. It was for that reason, and that alone, that it proved so difficult to obtain a consensus at the European Council.

Parliament will no doubt have another opportunity to debate the details of the mechanism, independently of this purely political statement. It will then see that certain features of the plan approved by the European Council substantially transform the present function of the European Parliament. For the first time, Parliament's vote will, in a good many cases, have a specific legal effect. In practice, this will entail substantial changes on all sides as regards conduct and the ways of applying the rules governing the decision-making powers.

The European Parliament's approval of some of the most important acts, such as Treaties of Accession or Association, means that on matters of broad policy

there could be a similar development to that affecting the day-to-day decision-making process.

Thus, whatever regrets may be felt, the European Council, with the reservations of which you are aware, considered the amendments to be substantial enough to be adopted in the form of a draft Treaty.

Any other attitude would have been — or would be — self-destructive. No part of this agreement should be judged in isolation: all parts belong to a coherent whole and proceed from the same inspiration. They mean substantial concessions for each Government in relation to the positions originally defined. If we do not seize this opportunity, no-one can guarantee that we will have another chance in the near future.

The people we are counting on in our respective countries to make a start on setting up the single market will not find a 'yes, but ...' attitude very convincing. Our determination alone can spur them to action. By thus adopting a set of texts which, *a priori* and in isolation, appear to fall short of their initial aspirations, the members of the European Council wished to follow those who founded the Community in the 1950s and move forward with measured steps. That first wager was won — why not this new one?

It is a joint responsibility, ladies and gentlemen, and Parliament will have an eminent role to play.

(Applause)

President. — On behalf of this Assembly, I thank the President-in-Office of the European Council for the comprehensive report he has given us on the conclusions reached by the European Council in Luxembourg.

Mr Poos, President-in-Office of the Council. — *(FR)* Mr President, ladies and gentlemen, according to long-established practice it falls to the President-in-Office of the Council to report to you on the Council's main activities under Luxembourg's presidency.

It is not my intention to give you a long and detailed account of all the action taken during these last six months. Nor in fact would it be possible for me to offer a comprehensive review of this presidency since there are still at least five specialized Council meetings to be held before it expires at the end of the year. I would accordingly prefer to confine myself to the main events and my assessment of them, which I hope will be as objective as possible.

This is the last time that a President of the Council will address you on behalf of the ten Member States.

From 1 January 1986 Spain and Portugal will be part of the Community, taking their seats on the Council as

Poos

full members. I am also delighted at the prospect of seeing Spanish and Portuguese parliamentarians joining your ranks next year. The contacts that the Presidency has had on various occasions with these countries' elected representatives have shown that the cooperation and dialogue between our two institutions can only gain from their presence.

The dominant effect in Community life during my country's presidency was undoubtedly the intergovernmental conference on reform of the Treaties. The President-in-Office of the European Council, Mr Jaques Santer, spoke at some length on this topic and I have nothing to add at this stage, other than to urge Parliament in my turn not to block this progress which, although you may deem it insufficient, will nevertheless be a dynamic influence for our Community.

In the speech that I made to you when presenting the programme for Luxembourg's presidency, I emphasized the importance that I attached to regeneration of the Community economy and action to combat unemployment.

I welcome, incidentally, the adjustments made in the rules for the operation of the European Social Fund, and in particular the increase in the proportion of resources allocated to the priority regions and the inclusion of start-up aid for self-employed activities.

Our objective has been to lay the foundations for growth which is both more dynamic and more creative of employment. In my inaugural address I spoke of the most appropriate courses to pursue on three levels: macroeconomic policies, promotion of flexibility in our economies, and fostering a social consensus, all of which are essential if we are to cope with the far-reaching structural changes taking place in our economies.

Indeed, these preoccupations had already been foreshadowed in the second quarterly review of the economic situation in the Community, where it had been stressed that the prospect of a high level of unemployment was unacceptable and that there was an urgent need for priority action to be taken to raise the real growth rate, with particular emphasis on increasing the rate of job creation corresponding to each percentage point on the growth rate.

It was with a view to broadening the support for this aim that, on 20 September last, I invited the Commission, whose thinking has been influenced increasingly by similar considerations, to assist by formulating and proposing measures to promote growth which is more conducive to job creation, this by pursuing two main lines of action: improving the coordination of efforts being made in the various countries to reduce unemployment, and launching a programme of major public works of Community interest, to be funded if necessary from new sources of finance.

The Commission's annual economic report for 1985/1986 gives prominent treatment to these ideas, as the title itself indicates: 'A Strategy of Cooperation for Growth and Employment'. This strategy, which has been favourably received in this Chamber and by the two sides of industry, is innovatory in more than one respect.

The Presidency has made every effort to ensure that this report could be adopted by the Council in a form safeguarding the main drift of my message, especially the economic policy guidelines for the Community and the recommendations for individual countries.

This concept of a new strategy of cooperation to promote growth which is more conducive to job creation also met with a positive response from the Heads of State or Government at their meeting in Luxembourg on 2 and 3 December.

The European Council also stressed the importance of creating an economic environment which was more favourable to the formation of new businesses. Active consideration is to be given to relaxation of certain administrative constraints, which hold back the development of small and medium-sized businesses in particular, and to measures making for greater mobility and flexibility in our economic systems generally.

Clearly, these are policies which will not bear fruit until the medium term. However, as the majority of the Member States have achieved very significant progress towards economic growth and recovery, the conditions for lasting and non-inflationary growth which can bring a substantial reduction in unemployment already genuinely exist. In addition, I believe that the economic policies pursued and priorities recognized by the Member States have begun to change appreciably during the second half of 1985.

In October and November the Council discussed the Greek economic recovery programme and the protective measures taken to accompany it. The decision taken demonstrates that the necessary convergence of Member States' economies can be accompanied by financial support illustrating Community solidarity and a resolve to strengthen the economic cohesion of the Community.

In my speech outlining our programme I also stressed that it was important for the Community to make progress in the monetary and financial spheres, so as to strengthen the European economies.

The Community has certainly not been marking time in this area over the past six months. I would first like to refer once again to the decision taken by the European Council to incorporate a reference to the monetary capacity of the Community into the Treaty and to include the objective of an Economic and Monetary Union among the principles enunciated in the Treaty as constituting the foundations of the Community.

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While the formulations eventually agreed may be thought too cautious or unadventurous — the Presidency would have wished to go further — the explicit references to the European Monetary System and the ECU in the future Treaty represent a not inconsiderable achievement when considered in the light of the reservations and reluctance which had to be overcome.

By remaining so remarkably stable despite the dollar's fall, the European Monetary System has demonstrated its reliability.

Finally, substantial progress has been made during the past six months in the area of liberalization of capital movements.

The process of completing and consolidating the internal market is a powerful factor making for economic recovery. This is an important asset in our efforts against unemployment, a point fully appreciated by this House, since it has been one of your long-standing themes that it is essential to create a real economic area within which economic activities can be carried on and developed freely.

At its meeting in Milan the European Council had charged the Council with the task of drawing up a detailed action programme aimed at the completion of a true single market by 1992 at the latest.

The Presidency scheduled the preparation of this action programme during the second half of this year. During the past few months it has made every effort to make progress according to the timetable laid down. However, it is not yet possible for me to give you a full account of the work completed, since there is to be an Internal Market Council meeting tomorrow.

Nevertheless, a number of significant results have already been achieved. Of these, the most important are: the regulation concerning inward processing, an important factor in the operation of the Customs Union; the finalization of the 'single document'; the progress made in the development of the computerization programme for customs administrative procedures.

On the services side, an important step was taken towards completion of the European capital market with the adoption of two directives concerning undertakings managing collective investments in securities. I welcome this, because economic operators will find that they have been given access to an efficient instrument for Europe-wide mobilization of venture capital, an essential tool for innovation and investment.

In the area of freedom of establishment, we have been able to make progress through the adoption of two important directives, on the professions of architect and pharmacist respectively. The directive concerning architects can be regarded as a real pilot project in the development towards freedom of movement in the

technical disciplines. With the directive covering pharmacists, freedom of movement is now established, in principle, for all the medical professions.

I would add finally that in the vast and difficult area of 'technical barriers' substantial progress has been made in the drafting of a number of directives, so that it is possible to anticipate positive results over the coming weeks and months.

Completion of the internal market cannot be an end in itself. Nor can it be confined to economic operators alone but must also become a tangible reality in the everyday lives of all citizens.

The Council has therefore endeavoured to give practical content to some of the proposals in the Adonnino committee's report on a People's Europe. I am thinking in particular of the adjustments and increases made in certain exemptions, especially those for the travelling public.

I am nevertheless aware that much remains to be done in bringing Europe closer to its citizens, bearing in mind that, when compared with the targets set and proposals made, the results achieved are limited. I say this in all candour because the Luxembourg Presidency has spared no effort in its attempts to carry forward proposals of such importance as those on the right of residence and simplification of formalities for travellers at border crossings.

At its Milan meeting, confronted with Europe's cumulative backlog in the development and use of advanced technologies and the danger that the technology gap would become a real threat to our countries' economic and social progress, the European Council responded from the outset by recognizing the need to marshal all Europe's forces and resources.

The European Council accordingly gave its support to the Eureka initiative and at the same time decided to add a new technological dimension to the Community.

In giving their support on these two fronts, the Heads of State or Government of the Community had clearly signalled their resolve to see all its energies and all its potentialities brought together in a coordinated and coherent effort aimed at a single objective.

In keeping with the wishes expressed by this Parliament, the Luxembourg Presidency has been constantly concerned, on both the General Affairs and Research Ministers Councils, to ensure that coherence and coordination are indeed maintained. The Eureka charter adopted at the ministerial meeting held in Hanover on 5 and 6 November explicitly recognizes the need for these two forms of cooperation to be complementary and to dovetail into each other.

With regard to Community action in the technology field, the Ministers responsible for research and tech-

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nology held an initial debate at their informal meeting in Luxembourg on the broad guidelines to be laid down for the future European Technology Community. These guidelines tie in both with the targets to be set for the new outline programme which is to set the priorities for Community research over the years to 1991 and with the new framework for technological cooperation decided upon by the intergovernmental conference.

The adoption a few days ago of the Comett university/industry cooperation programme in the field of education and technological training is something I welcome.

The process of developing and improving the common agricultural policy has been going through a very complex phase during Luxembourg's presidency. The Green Paper published during the summer by the Commission is an important new contribution to the efforts to bring production and consumption into closer alignment with each other, thereby avoiding structural imbalances on the market.

The Council has arranged to hold a special meeting on 19 December, at which it will discuss the problems raised by the Green Paper. It will, of course, be coming back to these various matters once Parliament's opinion has been received.

At its meeting on 29 October the Council endorsed the steel policy to be pursued over the coming years.

Despite the progress achieved in this industry, the general objectives for steel show that further restructuring will still be necessary during the period to 1990. Appropriate arrangements have been made for the transition from the present interventionist policy to a return to the free market.

The quota system and the pricing policy will be relaxed from 1 January 1986. Also from the beginning of next year, the Community rules on national aid will be more restrictive than those in force until 31 December 1985.

By determining future steel policy well before the end of the year, the Council has ensured that the steel industry can make its plans for the months and years ahead in good time.

With regard to trade in iron and steel products, the Community will continue its now traditional policy, making arrangements for 1986 with the leading supplier countries, thus offering them certain guarantees of access to the Community market.

In the field of transport, the Presidency has been concerned to ensure that the Council takes positive action in response to the judgment delivered by the Court of Justice of the European Communities. Following thorough deliberations, the Council has adopted an out-

line programme built around the four following central themes of the common transport policy: infrastructure works on routes of Community interest, improved arrangements for border crossings and transit, organization of the market for all modes of transport and, finally, safety in transport systems within the Community.

In the area of social regulations applicable to road haulage, significant progress has been achieved. The adjustments made to the existing regulations bring important improvements in the social protection of drivers and in road safety.

In the latter connection, the Council approved various forms of action, such as publicity campaigns in all Member States, to promote European Road Safety Year in 1986.

In the energy sector, the current low level of prices on oil markets must not be taken as a pretext for any relaxation of the efforts being made by the Community to achieve greater self-reliance.

It is in the light of this general policy that it is necessary to view the agreement reached on the launching of two new four-year programmes under which financial support will be granted, in one case for oil and gas projects and in the other for demonstration projects and industrial pilot projects.

Secondly, the Council has recently adopted the text of the Commission's proposal for a directive concerning savings of crude oil which can be achieved by the use of substitute fuels. This is an important measure aimed at reducing the Community's dependence on imports of petroleum products.

The present Community rules on State aid to the coal industry expire at the end of this year. So as to avoid a legal vacuum, the Council has given its assent to a six-month extension of the existing arrangements. This additional period should give the Community time in which to work out a new system which will serve over the years ahead to regulate aid granted in respect of this important source of energy supplies to the Community.

Of the various problems in the nuclear energy sector raised by the accession to the Community of Spain and Portugal, some have already been settled.

In the area of environmental policy, the Luxembourg Presidency has endeavoured to make progress on a number of wide-ranging proposals.

The Council of Ministers with responsibility for the environment has decided to develop further the Member States' system for mutual information on pollution of the sea by the discharge of hazardous substances. Some aspects of the problems of emissions from motor vehicles and large fuel-burning plants have been clari-

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fied. The Council has also settled virtually all the technical problems arising in connection with the proposal for a directive on the discharge of hazardous substances into bodies of water.

In addition, the presidency has included a debate on the major theme of the relationship between the environment and agriculture, thus demonstrating the importance that it attaches to this subject.

In the same vein, we have reactivated discussions on the use of sewage sludge in agriculture, with very promising results.

Your Parliament has shown itself to be particularly alive to environmental issues, and we appreciate your work in creating and stimulating awareness. I take satisfaction in the adoption, during our presidency, of the directive extending the ban on imports of the skins of baby seals, a successful outcome to a most worthy initiative from this Parliament.

The Council of Ministers with responsibility for cultural affairs will be meeting on 20 December, with an agenda including several items concerned with subjects to which your Parliament attaches very great importance. For instance, the Ministers will be continuing their discussion of the proposal for a regulation concerning a system for supporting European audiovisual co-productions. The aim here is to make a contribution to the promotion of a European audiovisual production industry, especially in the cinema, which is the most directly threatened sector.

The Council will also be considering the important communication recently submitted to it by the Commission on European book-publishing and discussing the aims of European Cinema and Television Year in 1988 and possible ways of promoting it.

In my inaugural speech to the House I laid emphasis on four main areas of the Community's external relations calling for priority action. The first of these was the overall policy on the Mediterranean to be adopted in future by the Community. During the current presidency the Council has given very close attention to the implications of enlargement as they affect our Mediterranean partners.

In accordance with the undertakings that we had given to the Mediterranean countries with which we have preferential trade arrangements, the Council finalized the negotiating brief on 25 November, giving the Commission time to make a start before the end of the year.

This brief is fully consistent with the two objectives that the Community set itself, the first of which was to maintain the traditional trade flows, to which end we envisage machinery of a type which I should stress is exceptional in relations with third countries, and the

second to continue and develop economic and financial cooperation with these same countries.

The first priority is to expand and diversify our Mediterranean partners' agricultural production so as to reduce their dependence on food imports and to underpin regional and multilateral cooperation.

The negotiating brief adopted on 25 November was the outcome of difficult discussions which continued throughout the past few months. It had been necessary to reconcile the often considerable differences between important interests, while at the same time taking account of our Mediterranean partners' legitimate interests. It took major concessions by all the Member States to arrive at a Community position. I pay tribute to the understanding and spirit of compromise shown during these long negotiations by the Member States and the acceding States, without which the Presidency could not have hoped to carry this task through to a successful conclusion.

The political importance attached to the Mediterranean region and the contribution that the Community can and should make to stability in the region prevailed over short-term interests.

The Council has also drawn up the negotiating brief for the second stage of the association agreement with Cyprus, the completion of which will bring full customs union. This honours the commitment given in the declaration of 30 March 1985 on Community/Cyprus relations to draw up this brief before the end of 1985.

I should add that this negotiating brief also covers relations with Malta. With the signing on 4 December of the second financial protocol, complete normalization of our relations with this country should follow shortly.

The second priority is the strengthening of the Community's presence in Central America. I shall return to this point when discussing political cooperation.

The third priority is consolidation of our relations with the Asean countries.

The most significant event in the Community's relations with the Asean countries was the joint ministerial meeting held in Bangkok on 17 and 18 October 1985. This was an informal meeting, the first at which economic relations were discussed in all their aspects, and it underlined the intention of the countries of Asean and our Community to develop closer economic ties.

It is necessary for Europe to increase its presence in South-East Asia, one of the most dynamic regions in the world to judge by the growth rates achieved there. It has been decided to carry out a comprehensive review of the difficulties holding back European

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investment in the countries of South-East Africa. In this connection, attention will also have to be paid to the use of modern financial techniques in order to strengthen the presence of European companies in that part of the world.

The fourth and final area for priority action is the review of the framework of multilateral trade and our relations with the United States and Japan.

The Community has kept to the policy that it has always consistently pursued: seeking the expansion of international trade through the strengthening of the multilateral trade system, the best guarantee against protectionism in all its forms.

It welcomes the GATT decision to initiate the preparatory phase for a new round of trade negotiations.

The Community considers that the forthcoming negotiations should cover a balanced range of subjects, so that they will offer the prospect of benefits to everyone taking part.

As a token of its goodwill and commitment to liberalization, it has decided of its own accord to bring forward by a year the introduction of the latest tariff reductions decided upon in the Tokyo Round.

The state of our trade relations with our leading partners, the United States and Japan, continues to give cause for concern.

In the face of the increasingly strong tendencies to protectionism that it is finding, the Community is pursuing a policy of vigorous defence of what it regards as its legitimate interests. It is also trying to make sure that it does not add to the tension in international trade.

The Community is appreciative of the intention stated by the American Administration and confirmed by President Reagan in his speech on 23 September last to resist protectionist tendencies and maintain its commitment to the GATT multilateral system. We hope that this same spirit will prevail in the efforts to find workable solutions to the problems over which we are still in dispute with the United States.

It is true that some contentious issues, such as tinned fruit, have already been settled. The Community also appreciated the rejection by the President of the United States of recommendations for the application of restrictions on imports of such products as footwear and wine. Nevertheless, the important matters of citrus fruits and pasta products remain unresolved.

In the area of policy on steel exports, where substantial interests are at stake, difficult negotiations have been held with the United States during this second half of the year.

In the face of the Americans' determination to reduce the penetration of their market by foreign steel products, the Community had to accept, in the first instance, an additional, transitional arrangement, and then a new arrangement valid until 30 December 1989, which covers the majority of our exports of carbon steel and special steels. The Community has nevertheless succeeded in retaining or slightly improving its share of the American market and ensuring that semi-finished products keep their status as consultation products.

On the whole, the outcome can be considered acceptable, since it has the merit of securing a stable outlet for steel exports in the United States over the next four years.

Our trade relations with Japan continue to be marked by a substantial imbalance, this despite many efforts made to persuade Japan to moderate its exports and increase its imports.

Although mutually satisfactory solutions have been negotiated for certain products, the objective of restoring balance in our trade remains a remote prospect. The Japanese market is still not a truly open market. The adoption by the Japanese Government of various measures aimed at liberalization no doubt reflects a heightened awareness of the problem in political circles and represents a step in the right direction.

However, as has been demonstrated by the recent consultations in Tokyo between a delegation led by Commissioner De Clercq and members of the Japanese Government, a very great deal still remains to be done. The Council intends to make a fresh examination of the situation shortly with a view to defining the course of action to be adopted in future.

Having completed my review of these four major aspects of external policy, I must stress the political importance of the meeting held at ministerial level on 14 October between the Community and the Gulf States Council for Cooperation. An important step was taken towards the conclusion of an agreement between the Community and this group of countries. This would fill a gap in the existing network of contractual relations between the Community and the countries of the Mediterranean and the Middle East. High-level discussions are to be held between the two parties and, in the light of the outcome, the Commission should be submitting proposals to the Council for a brief for the negotiation of an agreement.

As the House will have appreciated, region-to-region cooperation is tending to assume increasing importance in the Community's external relations.

The negotiations with the EFTA countries on adjustments to the free trade agreements following the accession of Spain and Portugal to the Community opened at the beginning of November. Although it

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now looks as though they will be more difficult than might have been thought at first, I can assure the House that every effort will be made to keep our relations with these countries on their normal excellent footing, so that mutually acceptable arrangements can be agreed as quickly as possible.

Following the initiative taken by Comecon, the Council gave the Commission a brief to explore the situation. The Community intends to state its position very shortly on the practical action to be taken in response to the most recent message received from Comecon. This message was accompanied by a draft joint declaration on the establishment of official relations between the Community and Comecon.

The grave problem of famine in Africa has continued to preoccupy the Council. Its work has been concerned with the two aspects of this problem: the aid to be provided immediately and the measures to be taken in the medium and long term.

On the whole, the Dublin plan was carried out satisfactorily. Aid from the Community and its Member States exceeded 430 million ECU, or 1 237 000 tonnes cereal equivalent.

I should like to pay tribute to the Commission for its vigorous action in carrying out this plan.

The Council has responded favourably to the plan for the rehabilitation and recovery of agricultural production in the African countries most severely affected by drought. I hope that this plan can be put into effect with all speed. In addition, the Council of Ministers with responsibility for development has decided that it will be necessary to take the preventive step of setting aside a supplementary food aid reserve for 1986.

I now turn, with your leave, Mr President, to the second part of my review, in which I shall deal with European cooperation in the sphere of foreign policy.

In East-West relations, the pessimism characteristic of recent years has been overcome, giving way to a certain cautious optimism.

While the meeting between Mr Shultz and Mr Gromyko in January 1985 brought the beginnings of a thaw, it is mainly since Mr Gorbachev came to power that new developments have been seen in East-West relations, culminating in the summit meeting held in Geneva from 19 to 21 November.

It is still too early, however, to tell whether or not the changes in the leadership of the Soviet Communist Party and Government, and in the membership of this Government and the Politburo, mean that there will be significant changes in Soviet policy, even though there has unquestionably been a change of style in foreign policy.

For instance, at the celebrations to mark the 10th anniversary of the Helsinki Final Act, held from 30 July to 1 August 1985, the Soviet Union and the other East European countries were still putting forward their well-known standpoint on human rights.

For the Ten, this ceremony was merely taken as an opportunity to reiterate their commitment to the CSCE process as such and to repeat that all the commitments contained in the Final Act should be acted upon uniformly. We continue to believe that it is scarcely possible to make substantial progress in the areas of security or economic cooperation unless there is firmer respect for human rights and basic freedoms in the East European countries.

We nevertheless hope that the meeting between President Reagan and First Secretary Gorbachev in Geneva has set in train a process which will bring real progress towards the renewal of East-West dialogue.

While acknowledging that serious differences existed between them on a number of crucially important issues, the two parties expressed their intention of working for rapid progress in their bilateral negotiations in Geneva, specifically in the light of the idea of an interim agreement on medium-range weapons. They also undertook to press ahead with the talks going on in other forums on arms control and limitation, to which the Twelve attach just as much importance.

President Reagan and Mr Gorbachev also decided to meet again in the near future and agreed on the need to establish regular contacts, at various levels, in a wide range of areas. This is clearly to be seen as a positive development.

The Twelve for their part will continue, as always, to use their best endeavours to intensify and lend greater depth to the East-West dialogue, which they realize will be a long and exacting task.

I cannot help recollecting in this connection that, only a few days after the Summit, the Soviet delegation spoke of our countries in the harshest terms after they had blocked the adoption of a final document at the Cultural Forum, a meeting held in Budapest under the auspices of the CSCE. Nevertheless, although a joint final document could not be adopted, this Forum served a useful purpose. To our minds, the first priority was that there should be open and wide-ranging discussions between leading figures in the cultural world. This objective was by and large achieved, and the Ten were able to use the opportunity to stress how necessary it was to be able to organize cultural contacts without let or hindrance.

Finally, there is one further area falling within the ambit of the CSCE to which the Twelve have devoted a great deal of determined effort.

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At the Stockholm Conference on confidence-building and security measures and disarmament in Europe, the Twelve have continued to press for the adoption of a series of concrete, verifiable measures to promote confidence and security so as to give effect and expression to the duty laid upon States to refrain from resorting to threats or the use of force in international relations.

Despite the recent turmoil in the Middle East, the efforts to sustain the peace process have continued. However, the complications of the political situation have been compounded by further instances of the use of force and terrorism. The Ten, together with Spain and Portugal, are calling for the abandonment of such methods, stressing their conviction that the constructive efforts to promote peace must be built upon and that the recent acts of violence must not be allowed to disrupt them.

The principles jointly adopted in Venice in June 1980 remain valid in the light of developments in the Middle East. The support given by European political cooperation for the line pursued by King Hussein of Jordan and the Jordanian/Palestinian agreement of 11 February 1985 also remains pertinent today, since the move initiated last February represents the most significant development in the direction of a comprehensive peaceful solution of the conflict and deserves continued backing in the future. This stance was reaffirmed in the speech delivered by the Presidency at the 40th UN General Assembly.

Having stated their rejection of terrorist methods on 22 July, the Ten, together with Spain and Portugal, reiterated their position on 1 October 1985, in the context of their condemnation of the Israeli bombing of the PLO headquarters in Tunis.

The declaration made by the President of the PLO on 7 November did not pass unnoticed, but it has to be emphasized in this context that it should be possible to expect all parties involved in the conflict to show a real preparedness to support and broaden the movement towards peace. This should amount to more than a mere willingness not to exacerbate the situation and could find more credible expression in the announcement of a truce, with a total renunciation of acts of violence, so as to create a climate conducive to negotiation.

Some of the Israeli Prime Minister's recent statements, in the context of efforts to establish an appropriate international framework for future negotiations between the interested parties, seem encouraging. There is now wider acceptance of the concept of an appropriate international framework for possible negotiations.

While some comfort may be taken from the fact that Middle East peace initiatives are in the air, the problems in the region can only get worse unless these initiatives are given a fair wind. If peace is to be given a

chance, today's antagonists must agree to take part in discussions on their reciprocal rights. Mutual recognition by the parties of one another's existence and rights remains the priority. This is true of Israel and its Arab neighbours; it is also true of the various Lebanese factions and of Iraq and Iran.

With the growing number of casualties in South Africa and the discontent among the great majority of the population there, the Ten, Spain and Portugal issued a call on 22 July for the establishment of real dialogue involving authentic representatives of all sections of South African society. With a view to encouraging the creation of a new climate in South Africa, they also called for the release of Mr Nelson Mandela and the other political detainees and for the rescission of discriminatory laws.

While at a meeting in Helsinki, the Foreign Ministers of the Twelve decided to send three of their number on a mission to South Africa for the dual purpose of bringing home to that country's Government their acute concern at the lack of progress in the implementation of profound reforms of South African society aimed at the complete disappearance of the apartheid system and meeting representatives of the political opposition, the Churches and socio-occupational groups. This mission took place between 30 August and 1 September. In addition, to round off the mission's contacts in South Africa, I received a delegation from the ANC in Luxembourg.

On 10 September the Foreign Ministers of the Ten, Spain and Portugal decided to harmonize their positions on a number of restrictive and positive measures to be taken in relation to South Africa. The following day I gave an account of these various developments in an address to this House.

Today I would add, if I may, that the revised code of conduct for European companies which have establishments in South Africa was published on 19 November 1985 and communicated to the President of the European Parliament. This code contains a number of significant improvements over the one currently in force. The Foreign Ministers had also made clear on 10 September that they proposed to review their position in the absence of significant progress within a reasonable period. It is essential to leave no doubt as to the determination of the Twelve to make their contribution to the abolition of the apartheid system.

As far as relations between the Ten and the countries of Central America are concerned, the outstanding event of recent weeks was, of course, the Ministerial Conference held in Luxembourg on 11 and 12 November. Attended by 21 countries, the Commission and the Permanent Secretariat for the Economic Integration of Central America, this conference institutionalized a new structure for cooperation and dialogue between the countries of the Contadora Group and

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those of the Community, together with Spain and Portugal.

During this conference a cooperation agreement and a document institutionalizing political dialogue were signed. In addition, two joint communiqués were drawn up, one political and the other economic. I do not propose to discuss the content of these communiqués, since the texts have been forwarded to you.

Throughout the conference, the Ten affirmed the continuity of their support for the Contadora Group countries and their peace initiative. Indeed, we believe that a failure of this initiative could have tragic consequences throughout the Central American region.

The conference marking the end of the United Nations Decade for Women was held in Nairobi from 15 to 26 July 1985. In the speech that he made at the opening of the conference, Mr Spautz, the Luxembourg Minister representing the Presidency, stressed the solidarity of the Ten, Spain and Portugal — as instanced by the third Lomé Conference — with women in the Third World, and especially in the African countries which have been suffering so severely from drought and famine.

Although politicization of the proceedings in Nairobi could not be avoided, the Ten, Spain and Portugal helped to secure the adoption by consensus of a document on future strategies to promote women's interests over the period to the year 2000.

Mr President, ladies and gentlemen, the Council which it is my privilege to represent today has often been criticized by this Parliament for its lack of sensitivity and its unwillingness to discuss and compromise. During our tenure of the presidency we have tried to make the most of what has often been extremely limited room for manoeuvre to rectify this image. We have been concerned to maintain dialogue with your Parliament. I am thinking in particular of the highly sensitive area of the relations between our two institutions on budgetary matters.

At the time when we took over the presidency from our Italian colleagues, the two branches of the budgetary authority had scarcely settled their differences over the budget for 1985.

Today, the Luxembourg Presidency has decided to convene the Council — in Strasbourg, let it be noted in passing — to hold a last meeting with a delegate from your Parliament with a view to drawing up the basis for a final compromise.

I venture to hope that, with your active support, we shall be able tomorrow to avoid a further inter-institutional conflict, which would undoubtedly be prejudicial to the life of the Community.

Luxembourg has had but a single aim throughout this term in the presidency: to serve the Community. We

knew that the task ahead of us was going to be difficult. A few months were not going to be enough — and I think nobody harboured any illusions about this — to carry through the ambitious programme laid down in Milan. With the benefit of hindsight, it is easier to gauge the full extent of the work to be done. We set about it with enthusiasm and commitment, and I believe that it is fair to say that the Community has made progress under Luxembourg's presidency.

(Applause)

President. — I thank the President-in-Office of the Council who has given us a very full report and I should like to pay tribute to the Luxembourg presidency and to the sterling contribution it has made at a difficult juncture and faced with a particularly daunting task.

(Applause)

Mr Delors, President of the Commission. — *(FR)* Mr President of the Parliament, Mr President of the Council, ladies and gentlemen, we have heard a detailed account of the Intergovernmental Conference from the Presidency of the Council. You will be keen to comment. We are keen to hear what you have to say. I shall therefore be brief.

(Applause)

I propose to wait until the time comes for answering questions to report, as we are bound to do, on one or other aspect of the Commission's contribution to the various stages of the Intergovernmental Conference process, and I shall therefore start with the two fundamental questions which were brought to the forefront in Europe by the European Parliament with its draft treaty, without which there probably would have been no Intergovernmental Conference. Towards what do we intend to make progress together, as 12 partners, and how do we get there? In the spirit of cooperation and realism shown by Parliament throughout this exercise, and especially during the last two days, I would add a third question: despite the limited results achieved, are we still on course for the central objective, European Union?

Towards what do we intend to make progress? I am not going to make an exhaustive review of all the aspects covered. I propose to discuss the central point, which was the main theme of the investiture speech that I made in this House on behalf of the Commission on 7 January, the objective towards which significant progress would inevitably bring progress towards other targets also, as you were good enough to acknowledge. I refer to the creation of an area without frontiers and its twofold impact, first on the strengthening of our economies and secondly on European citizens' awareness of belonging to a single entity. This

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was probably the most difficult part of the debate. It may help to bring the situation into focus for you — although I am sure that there is no need for that — if I say that it is in terms of this large internal market that it is necessary to judge what is possible to achieve and what is not.

Five objections were made to the simple proposition which ran as follows: in order to create this large market, we are going to make wider use of voting by qualified majority, we are going to do away with the right of veto, and this will make it possible for us to do what we have been unable to do for 25 years (this also entails additions to the Treaty, to include all the elements necessary for the area without frontiers).

With your leave, I shall now run through these five objections so that you may judge for yourselves the difficulties involved.

First, the twelve countries considered that the free movement of persons would not be possible unless cooperation among the national administrations on all matters concerned with security and crime had reached a suitable level. Who could have ignored this requirement?

Secondly, the White Paper presented under the auspices of Lord Cockfield, who is here today, set out three main objectives: the removal of physical barriers, the removal of technical barriers, and the approximation of indirect taxation. The twelve countries indicated that decisions on measures concerning approximation of indirect taxation could not be taken by qualified majority because indirect taxation is an integral part of overall fiscal and budgetary policy. What were we to do? Organize a *coup d'état*? Or agree that, instead of questioning the desirability of approximation, the Finance Ministers should be charged with working out the arrangements necessary for proceeding with approximation? During the Intergovernmental Conference I was able to point out, by quoting some practical examples, that it would not be possible to make progress towards the creation of the large market by 1992 unless the Finance Ministers reached agreement on this issue in the meantime. A simple example, familiar to all, is provided by our failures to liberalize the insurance market. How could we conceivably reach agreement in this sphere if the differences from one State to another in taxes on insurance premiums remain as they are at present?

The third objection: the plant health regulations peculiar to the two countries in the Community which are island States, the United Kingdom and Ireland. These could not be ignored, they had to be taken into consideration. There seems to be absolutely no prospect that these countries will totally change their general approach to this problem over the next two or five years. I put it to you: who could have worked the miracle of bringing about a radical change in these two countries' approach to these problems in a matter of

two or five years? Appropriate provisions therefore needed to be incorporated into the Treaty.

The fourth objection: some Member States, Denmark foremost among them, apply higher standards than others in the areas of working conditions, health and the environment. They were apprehensive that the creation of the large internal market would result in a levelling down. What a folly it would be to create the large market by turning back the tide of social progress! Provision had to be made in the Treaty to take account of this problem. The Commission's own view was that the most appropriate course would be to incorporate positive provisions in the wording on the environment and social policy. However, so that a compromise could be reached, this subject of higher standards was included in the wording on the internal market.

The fifth and final objection: the principles applied in Germany on the organization of professions. I think this is purely a matter of principles and the qualifications required in order to enter professions; I do not think there is any more to it than that. The position has yet to be clarified. However, this was another problem which could not be disregarded.

Consequently, if you have the Twelve sitting round a table and you find that they have reservations about such and such a problem, I put it to you frankly: is there anyone among you who would claim that if he had been at the Intergovernmental Conference he would have been able to overcome these obstacles without making provision to deal with them in the draft of the new Treaty? That seems to me to be the key question, the basis for a realistic understanding of the difficulty of making progress. I would even go further, at the risk of offending some of you, and tell you that it seemed to me, from an intellectually and politically open-minded stance, that it was not just national self-interest but also real fears and traditions that were reflected in these issues, and that it would serve no purpose to make a grandiose declaration at this stage only to realize later that such and such a problem had been obscured or disregarded.

Nevertheless, given the compromises reached, we have a political commitment to the creation of the large internal market by 1992. This is something which will call for vigilance and purposefulness from the European Parliament and from the Commission. There is a legal commitment given by the States, even if there is no automatic legal mechanism which would mean that, at any time after 1st January 1993, any individual could bring an action against the Council or a Member State before the Court. But, I repeat, there is a legal commitment given by the States. Around this centrepiece, on which I have dwelt at some length because it gives a good indication of what is possible and what is not, there are various other points on which we have made some progress. Probably the most important of these — to those of you who spoke

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in previous debates — is the wording on economic and social cohesion. It would of course have been unthinkable, for reasons already explained in this House, to create the large internal market unless the Member States believed that, with a range of economic, financial and budgetary — but not only budgetary — instruments at its disposal, this large market would create a ripple effect and bring benefits of scale extending to all regions. With the framework provided by this wording on economic and social cohesion, it will now be possible to press ahead with the convergence of our economies, and it will be possible to improve the role performed by the structural Funds — as we already have done up to a point with the integrated Mediterranean programmes — so that we shall at last have Community-wide structural policies worthy of the name and supporting policies which will enable the most backward regions to come to terms with the large market. Not the least paradoxical aspect of this Intergovernmental Conference was the fact that the least prosperous countries were sometimes more enthusiastic about the large market than the most prosperous. No doubt their European faith was the stronger at that time!

(Applause)

On the monetary front, monetary cooperation is now enshrined in the Treaty, as are the Economic and Monetary Union and the ECU. That is all. This confers legitimacy. But that is all. It provides a basis for action until the time comes when the European Monetary Fund will have to be created.

The Technological Community is something else which it is now possible to proceed with. The architecture that we had proposed is embodied in the Treaty. It provides a basis for laying down the applicable rules, for involving industry, for providing meeting places and stimulating research at Community level. It provides a basis for specific programmes. And it allows for differentiation, so that some countries will be able to move ahead at a faster pace than others.

Finally, in the case of social policy, scope has been opened up for headway to be made through the opportunities offered by the improvement of working conditions, in the broad definition of the term, since the word 'workplace' has a very special meaning in the tradition of the Nordic countries, and those of you who are not Swedish or Norwegian — obviously — nor yet Danish should know that it is to be interpreted in fairly broad terms. In addition, there is a reference to the social dialogue which we have initiated in the Community, successfully in my view, notably at the meeting held on 12 November last at Val Duchesse.

That, I think, concludes the brief review that I wanted to make following my longer comments on the large internal market, which is the indicator of what is feasible at this stage, of what I have referred to as the 'Europe of the feasible'.

How do we get there? Not by adopting an excessively critical attitude. What were the European Parliament and the Commission saying? That Europe is bad at taking decisions, or takes no decisions at all. That Europe does not function efficiently. Do we now have the means with which to reverse the situation? My answer is straightforward: we have, within the scope of the Europe of the feasible. However, my answer to the question whether or not we have the institutional means with which to achieve this will be less straightforward. I shall point to the strengths, but without overlooking the weaknesses. In discussing this question, I shall deal in turn with the extension of the scope for majority voting, the Commission's executive powers and finally, because it is the most important issue, the influence of Parliament, the potential influence of Parliament, as foreshadowed in this draft Treaty.

As far as the extension of the scope for majority voting is concerned, the question whether or not there has been any real change is settled by the fact that it will be possible for two-thirds of the decisions concerning the 'frontierless area' to be adopted by a qualified majority. On the monetary front, variable geometry can continue until the European Monetary Fund comes to be set up. In the case of technology, the adoption of sector programmes such as Esprit and RACE can be decided by qualified majority. In that of cohesion, the policy of each Fund, and thereby the Community's structural policies, can also be decided by qualified majority. The same will be true in social policy, in the improvement of conditions in the workplace.

In my view, therefore, what has been achieved is not inconsiderable and there has been a change. A change compared with the past. Will it be enough to ensure that there is also a change in the obstructive behaviour which has prevented Europe from making progress, the obsession with unanimity against which I have spoken in this House before? That is what we have to ask ourselves. Do the institutional changes made represent sufficient progress for it to be possible to say that there is going to be a change in the behaviour of the people in the Council, the Commission and the Parliament? That is the key question. If I were to give the answer today that, yes, there are bound to be changes, I would be less than truthful. The honest answer is that I do not know. I would say simply that it deserves to be given a try if we are capable of nothing better. And it is going to be put to the test. We shall see whether it does not become necessary to convene an Intergovernmental Conference two years hence.

Coming now to the powers of the Commission, let me remind you of the situation as it now stands: as well as the negative influence of the requirement for unanimity and the refusal to take decisions (there is a large backlog of texts awaiting decisions), the Commission is hampered in implementing the Council's decisions by a wide variety of obstacles, the essential aspects of

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which I have mentioned to you on more than one occasion. Consequently, I think that, since voting by qualified majority has now become the rule, the Intergovernmental Conference, at Mr Santer's instigation, gave a commitment to reform the Council's rules of procedure so that it would be obliged to take a decision when requested to do so by the Commission. Just as voting by qualified majority will become the rule, delegation of implementing powers to the Commission will become the principle. Only in exceptional cases will the Council — acting unanimously — be able to assume responsibility itself for laying down the details of measures to implement its decisions.

As far as the Commission is concerned, then, it can be said that we have the means with which to take our change. For those who are not convinced, I would say, to put it in a rather complicated way, that the new Article 145 in the draft, combined with Article 149, paragraph 1, gives the Commission an opportunity to circumscribe the 'grey area' of the various committees and to reduce the obstacles.

There remains just one major problem, therefore: the role of Parliament. I am not going to go over the same ground as President Santer, but shall concentrate, not on the concurring opinion — you have seen what that involves — nor on the extension of the conciliation procedure, but on the area described as 'cooperation', in the Commission's own terminology, where Parliament is to acquire leverage, not powers as such but leverage, over the component parts of the 'platform for regeneration': the internal market, economic and social cohesion, technology, and social policy. I think in fact that, in your motion for a resolution, you are seeking the extension of this procedure, with improvements that you wish to see, to all provisions on which voting is to be qualified majority.

We on our side limited ourselves in our initial proposals to the platform for regeneration, so as to provide a formal demonstration that the European Parliament also has its priorities and is going to devote all its energies and skills to the building of this platform.

What of the European Parliament's powers in these areas? First of all, it has a power of rejection; that is not inconsiderable. When the Council has adopted a text on a first reading, Parliament can reject it. In such circumstances, there is a legal void which has to be filled. You yourselves have also pointed this out. There is also a power of amendment, and it is here that we find the European Parliament/Commission pairing. Not a pairing against the Council, but a pairing imposed by the texts in that the Commission has the right of initiative and the Commission's initiatives can be overturned by Parliament. That is why, in objective terms, there is this pairing of the European Parliament and the Commission. I would remind you that if this text is adopted, the Council will have to be unanimous if it is going to reject a proposal amended by Parliament and endorsed by the Commission.

If the Council fails to take a decision within three months, there will be a legal void which will have to be filled. As matters stand, therefore, there are two sets of circumstances under which a legal void can arise. The Intergovernmental Conference is aware of this. What happens if Parliament rejects a text? What happens if the Council fails to take a decision on a text? It will be extremely interesting to listen to what you have to say about these problems today and to hear your practical proposals for dealing with them.

The Commission will therefore be listening to what you have to say, but I would nevertheless remind you that it had already proposed a complete solution which also went further. Our solution was simple: if the Council, acting by a simple majority, did not reject a text amended by Parliament and endorsed by the Commission, or if it took no decision, the amended text would automatically be regarded as having been adopted. The procedure would thus have been able to come full circle, so to speak, if that is an expression which lends itself to translation. But this solution was not accepted, on grounds of principle.

I must nevertheless briefly outline the history of this solution. It was not the product of the Commissioner's prodigious imagination. It emerged from the last consultation between the President of the European Parliament and the Intergovernmental Conference. The text was presented after that consultation. It was therefore not our brainchild. We wanted to show that consultation served some purpose and we thought that this in itself was a sufficient argument for it to be given more consideration than it received. The fact is that the issue of whether or not the Council should always have the final decision is really an ideological issue. In practice, anyone wishing to see the situation in true perspective would realize that, in both the first and second versions of the text, but particularly in the second, a *de facto* co-decision between Parliament and the Council would be possible. If we had more time, it would not be difficult for me to demonstrate this.

This, then, I repeat, is a matter which remains unsolved, because there is a legal void which the Foreign Ministers will have to fill on 16 and 17 December.

Bearing all these things in mind, can it be said that we are still on course, or did this Intergovernmental Conference deflect Europe from the main line to European Union and onto a siding? This question cannot be answered without making a frank and realistic analysis of the situation in the Community.

Indeed, this was my motive in carrying out that little practical exercise on the internal market at the beginning of my speech. It is necessary to be aware of the limitations, the dangers, and the safeguards that we have obtained.

First of all, nobody, I repeat, nobody expressed the wish, the political will, for some of the Twelve to

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move further ahead, leaving the others behind. That is something which must be remembered. To put it another way in words which may be lapidary but in my view reflect a very accurate political analysis, they wanted to be 12, they are afraid of being 12, but they want to continue as 12. If that is not understood, nothing is understood and nothing is going to be achieved.

Secondly, the dangers. They have to be seen for what they are, ladies and gentlemen. For the past year the Community approach has been questioned, whether implicitly or explicitly, and what we now have to defend is the Community approach and its future.

(Applause)

This is the danger that we have to recognize. And if you ask for too much — but from what I have seen of your most recent texts, you are not asking too much — you will be giving ammunition to those who, for months and months past, have been voicing their scepticism about the Community approach, to which they prefer intergovernmental cooperation. You want some examples? The refusal to incorporate provisions on monetary cooperation or social affairs in the Treaty, the questioning of certain initiatives in the technology field, about which you will have the opportunity to express your views in a few moments.

(Applause)

What has to be ensured, ladies and gentlemen, is that the Community approach is given another chance to show its worth. But we cannot pretend that we have a clear run to the objective on the horizon, which no opponents in sight. The opponents are not only those who are overtly hostile but also the sceptics, whose ranks are swelling all the time and will find yet more recruits if we ourselves take things to extremes. We must therefore be moderate in our ambitions since, to quote a well-known French proverb, *'Le mieux est parfois l'ennemi du bien'*.

Finally, the safeguards. We find them in three areas.

First, the single Act. This is something that we could not be sure of two months ago. At that time some of the Member States had their sights fixed on political cooperation, through an extension of the Genscher/Colombo document, a leap in the dark which offered nothing of substance for the Community. This was actually proof of the danger to which I have referred, a departure from the Community approach to savour the delights of intergovernmental cooperation. And it was proudly proclaimed: we have gone further forward. In fact, however, it was like a chorus at the opera marking time and singing 'march, march, march'.

(Applause)

No, the single Act gives protection against such excesses.

The second safeguard is the timetable for the internal market. We must be clear in our minds about this. Three important dates have been set. If, by the end of two years, there has been no change in the behaviour of the Council, in the Council's preparatory committees, in the implementation committees or perhaps even in the Commission's bureaucracy, I shall come back to you with the message that what we are doing is not going to work and that it will be necessary to convene another intergovernmental conference. Should that happen, the question whether all 12 Member States should still be trying to move forward in unison will arise once again. I was able to dispose of this question just now by indicating the situation as it stands at present. But it is never far from the surface.

The third and last safeguard is the dynamism of the pairing between the European Parliament and the Commission, which does not exist in opposition to the Council but for the reasons that I outlined a few moments ago. It is because of this that I believe, as I have just indicated, that the Intergovernmental Conference is a compromise for progress. It is up to us to turn it into a dynamic compromise. We must stay on course. Naturally, I would prefer to be operating, to be addressing you at a time when we could be planning developments on the grand scale. Did you notice the style in which the various governments reported on the Luxembourg Council when they got home? The tone was muted, almost as though they wanted to pass unnoticed in some cases. I would say that this is just as well, because we have heard so many triumphal post-Summit proclamations that this moderate tone was a change for the better. But I have not lost hope that one day, if we keep our shoulders to the wheel, the Europe of the feasible will revert to the Europe of the ideal.

(Applause)

President. — I thank the President of the Commission for giving us so much information and also for providing us with the insights and the guidance of which we stand so much in need both now and for the future.

(Applause)

Mr Arndt (S). — (DE) Mr President, I have been given the task of making a detailed political appraisal of the outcome of the 33rd Summit in Luxembourg on behalf of the Socialist Group — no easy task, you will admit. However the difficulty of that task is in no way due to the fact that there is a majority and a minority view in my group, but rather to the fact that it is genuinely difficult to judge the outcome of a summit objectively. There are, in fact, two possible ways of looking at it.

Arndt

The first is to measure the results against the euphoric declarations made beforehand. May I remind you not just of some of the enthusiastic speeches which various Heads of State have made before this House. May I remind you also of the political venom which the European People's Party, for instance, showed towards members of my group, simply because we warned against excessive hopes of realizing European Union. If we detect something akin to Europe-weariness up and down the Community, the responsibility does not lie only with those who have blocked virtually any progress in Europe; it lies also with those who announced magnificent objectives in their week-end speeches, knowing full well that they were far removed from what is actually possible. The summit must have been a serious disappointment for those who had announced great objectives. It is strange to see how, on the contrary, precisely those people who had announced these great objectives and still found the compromise proposals of the Luxembourg presidency unacceptable at the end of November announced eight days later that 'substantial' progress had been made, that they were 'satisfactory on the whole'.

The second way is quite simply to look objectively at the situation hitherto and to compare it with the situation as it will be, *if* the results of the summit are ratified by all 12 parliaments. It was in any case clear at the outset to anyone who had read the Rome Treaties that amendments to the Treaties can only be passed *unanimously* and that in order to become effective the results of the conference have to be ratified by the parliaments of all the Member States. It is precisely this question, whether the main emphasis should be on the implementation of certain political maxima or on the continued cohesion of the Twelve, which has been important for my group from the outset. For us Socialists it is simply inconceivable that the capacity for action at international level and the international status of a 'two-speed Europe' should increase while Great Britain and two other States stood 'out front'. That is why I have to say on behalf of my group that what the great majority hoped for and what the Confederation of Socialist and Social Democratic parties asked for from the Luxembourg Summit are far from having been achieved.

Nevertheless, in any objective appraisal of the results it is possible to draw a parallel with what Galileo said so defiantly at the beginning of the modern age and to apply it to the European Community: 'But it does move'! There has at least been a step forwards in some areas. I am thinking of the decisions on the internal market, research policy, monetary policy. My group's verdict on these steps depends primarily on whether they lead to a reduction in unemployment. We have to say, however, that nowadays national policies are not capable of eliminating unemployment. Anyone who looks at the unemployment figures for the individual States has to admit that not one of the Member States has had any striking success against unemployment

through its go-it-alone economic policies. The enormous dependence on the world market and the mutual economic interdependence within the Community mean that our only change is to fight unemployment through a joint European policy. No-one in my party, no national grouping, will oppose European decisions, if it is established that these are the one and only way to fight unemployment.

Allow me to produce a star witness, one who is certainly not loved on all sides of the House: if Arthur Scargill himself says that the spectre of unemployment in British coalmining can only be fought through an integrated European policy for coal, and if he therefore calls for an integrated European policy, then he is nevertheless a star witness — and certainly an unexpected one. We shall therefore sound out what is still feasible within the existing framework. And the Council should do the same. I have far more respect for a country which fights to retain the right of veto but makes *no* use of it itself than for a government which advocates the abolition of the right of veto in high-flown phrases but makes maximum use of it up till then.

(Applause from the left)

To me anyone who does that is like someone hurrying to kill one more person before providing evidence of how reprehensible murder is.

This brings me to the question of whether there is anything left for the European Parliament and its proposals for increased democracy and improved decision-making procedures. There is no indication that even a single EC government, apart from Italy, was seriously prepared to restrict the dominant role of the governments in the political processes of the Communities in favour of other political actors. What the Foreign Ministers are supposed to decide during the week is at most a tiny consolation prize. We wanted a European Union. Forgive the metaphor: we wanted a Garden of Eden and the summit is giving us a bunch of violets.

There is a growing democratic deficit in Europe, and it cannot be eliminated unless the European Parliament is given increased rights. If the Foreign Ministers do not at least brighten up the said bunch of violets with some more cheerful foliage next week, conflict is inevitable. The majority of my party and of the Social Democratic and Socialist parties in our Confederation will persevere in working towards European Union.

(Applause)

IN THE CHAIR: MRS CASSANMAGNAGO
CERRETTI

Vice-President

Mrs Lizin (S). — *(FR)* Referring to Rule 42, Madam President, I should like to know why Mr Ford has not

Lizin

been given the speaking time which he is allowed to present his oral question on Eureka, which we consider to be of fundamental importance in the context of this debate.

President. — Mr Ford will present his oral question, which is being debated jointly with the Council's statements, at the beginning of this afternoon's sitting.

Mr Klepsch (PPE). — *(DE)* Madam President, ladies and gentlemen, we have reached an important stage in the development of the European Community. Quite clearly, once the decision had been taken at Milan to hold an intergovernmental conference, the results of which we are starting to discuss, and once the Summit in Luxembourg had taken decisions and made recommendations, we had to strike the balance in order to see how we are to continue along this road.

On the positive side we have seen that all the Member States are prepared to continue along the road towards European political union. Everyone agreed that in a situation like that which faces Europe today, the only way forward lies in a united approach towards achieving a common future. If we want to build a model of security and peace, of a free society and of progress in this world, we have to take the road together. This is something which also became apparent during the meeting and in the outcome of it.

The requests and desires which we expressed, and which provide the yardstick for our judgement, have, of course, and I say this quite openly, not been satisfied by these results. There are areas in which our disappointment has been particularly great, and others in which we catch more glimpses of hope than some people had expected beforehand. There is one important point which must be remembered: the Twelve want to go forward together.

My group considers it important to establish that work has begun on more intensive reforms in the matter of extending the powers of the European Community and that an effort is being made to tighten up the decision-making process. But we are also agreed that political imperatives and objective necessity demand considerably more than what has been decided now. Of course it is not easy to reach individual decisions jointly. There is one aspect to which I shall return later, namely, the cooperation of the European Parliament, which received particularly short shrift.

That is why we also believe that the forthcoming Foreign Ministers conference, which still has to fill in, or could fill in, the legal gaps to which President Delors referred, could round off the work of the Heads of Government and — to quote my colleague Mr Arndt — will perhaps give better shape to the bunch of flowers which will be handed to us in the form of a properly formulated draft treaty.

However, we still cannot get away from this whole problem. That is why we shall not give a final verdict until all the results are available. In spite of many reverses, we Christian Democrats remain convinced that European Union must continue to be our aim and that it is our only chance of realizing the human society which is the vision that inspires all our political work.

We believe that the internal market is a central question and that it calls for pragmatic and practical work, on the fruits of which we will have to pass judgment later. We are committed, with the Commission and the Member States, to a joint endeavour to advance the European Community. But we also believe that the improvements which have been made in the decision-making process still have to be carried even further.

We do not deny that the evaluation of the work of the European Parliament is a central issue for us. The beginnings and the advances which have been made in this respect do not, in our view, provide any grounds for rejoicing. But we are, of course, all bound to exploit every opportunity for cooperation and to use every improvement and to apply them for the common good, since our citizens have sent us here to exploit every opportunity of advancing the European Community in accordance with our mandate.

We shall not lose sight of our responsibilities, because we are convinced that we have to win the battle against the bureaucracy of the Council in order to introduce democratic controls for the sake of our citizens. We hope that we shall succeed in this, together with the Commission and with those members of the governments who have a sense of political responsibility and who support us in this.

In this connection I wish to thank the Luxembourg Presidency, and especially Prime Minister Santer, for trying to achieve the best possible. We know full well that anything which has to be passed unanimously and which has to be ratified by 12 national parliaments cannot satisfy everyone, otherwise it would have been done long ago. I wish not only to thank him but also, on behalf of my group, to thank certain governments and Heads of Government who have particularly tried to make the kind of progress we want by means of compromise proposals and constructive proposals. I am thinking primarily of the Heads of Government of Belgium, the Netherlands and the Federal Republic of Germany, but also — and this I wish to emphasize very strongly — particularly our old friend, the Italian Foreign Minister, Mr Andreotti, who has spoken out so strongly for the rights of this Parliament.

In addition I should like to thank all those who were prepared to give their support to an onward push. But to those who hesitate I say, Europe is worth the effort! My group is resolved to exploit every opportunity of creating Europe, and even in the little things we shall not be found wanting.

(Applause)

Sir Henry Plumb (ED). — Madam President, ladies and gentlemen, there is a famous *Punch* cartoon which has passed into the English language. It shows two clergymen in a country parish breakfasting on eggs. The bishop says to the curate: 'Your egg looks bad, are you going to leave it?' and the curate politely replies: 'Oh, no, my lord, I assure you parts of it are excellent'. Opinions obviously differ as to whether the standard of humour in the *Punch* cartoons has improved since that particular one. However, the phrase 'a curate's egg' has come to mean in English anything which has good or bad elements, anything on which it is difficult to form an overall judgment.

The results of the European Council meeting in Luxembourg last week are perhaps a classic example of the 'curate's egg'. There are good things, there are bad things and there are things about which we cannot yet be sure. The welcome that my group and I believe this Parliament should give to the package is necessarily of the cautious kind. If the results of the Council are a first step in the right direction, then we welcome them. If, however, they are a highwater mark of the European Council's aspiration for progress in our Community, then they are clearly insufficient.

Let me begin, however, with the positive aspects as I see them. My group welcomes the Council's resolve to capture in treaty form the Community's existing common approaches to environmental and technological questions. In the 30 years since the Treaty of Rome was signed both these areas have come to occupy a more important part in the political and the economic debate of Europe, and it is right that they should now figure more prominently in the Community's constitutional structure. But both environmental and technological questions are only part of that much wider enterprise to which this European Council has given a tentative push, namely, the realisation of a genuine internal market by 1992.

For my group the proposed changes in the Treaty of Rome designed to bring about the internal market are by a long way the most positive aspect of the European Council's work. They provide for majority voting over a wide range of topics which were not previously susceptible to majority voting, and we may reasonably hope that they represent a genuine political will to do what ought to have been done long ago, namely, to make a reality of the continental market, a market in which Scotland and Salonika, Portugal and Piraeus pursue lawful trade with each other unhindered by barriers of any kind.

I am not entirely happy at the scope allowed for derogations in the Council's conclusions relating to the internal market. The philosophy of derogation is always a dangerous one. By recognizing one special case, it creates the groundwork for recognizing 12 special cases. Similarly, I regret that it was not possible to go further towards fiscal approximation in the Council's conclusions. Without that fiscal approxima-

tion we shall never have a genuine internal market free of frontiers, and the retention of unanimity in this matter means to me that Member States are still trapped in that narrow outdated concept of national economic sovereignty. This concept may have been appropriate to the 19th century, but it is hardly appropriate to the 20th century and is certainly at odds with the underlying philosophy and the aspirations of European Union.

Madam President, I do not wish to be ungracious. There are good things about the passages on the internal market. The proposal that in 1992 existing national law should be reviewed, with a view possibly to declaring existing national provisions equivalent to those applied by any Member State, is an intriguing and hopeful one. If it were not for the European Council proposal on the internal market, then my group's attitude to the work of the European Council last week would be a vastly different and less positive one.

This is an appropriate moment, perhaps, to mention an especial fear of my group — a fear intimately bound up with the internal market. There is a glaring omission in the communiqué of the European Council and in what we have heard from the Council here today. No reference is made to procedure in the Council for taking of votes by majority where the Treaty prescribes it. The Luxembourg Compromise remains therefore, as we see it, untouched.

We note that in the proposed Article 149 the Council has not imposed upon itself — as it has upon Parliament — any kind of deadline on its first reading of the draft proposal from the Commission. We must beware of changing the Treaty to permit more majority voting and then finding that the Council, with its usual indecision and reluctance to grasp difficult issues, postpones again and again voting on the measures necessary to bring about this internal market. Earlier this year a number of suggestions were made for the abolition or at least the modification of the Luxembourg Compromise. It is fundamental to the working of the Treaty's new articles that these new articles be applied.

(Applause)

I do not myself favour the complete abandonment of the Luxembourg Compromise, but I understand those who do. I agree with them that the scope of its operation needs to be substantially modified. This is perhaps the most urgent task which remains outstanding from the Council's work last week. To seek to build the internal market without reforming, therefore, the Luxembourg Compromise is, as our German friends say, like making up the bill without asking the landlord.

I now turn to the Council's conclusions concerning the European Parliament. These conclusions are admittedly incomplete, and that the Council should have been unable to agree on anything more than the very sketchy outline presented to us is hardly very

inspiring. I accept that the institution of the second reading will make it more difficult for the Council simply to ignore the suggestions of Parliament, certainly in particular fields, but the whole system proposed by the Council seems to be based on a desire to increase the appearance of consultation as long as real power is denied to the Parliament. I am amused to see that even in those fields where the Council does not agree upon the procedures the European Parliament should follow, they are agreed that in all circumstances the Council will have the last say. So who says the Council never agree on anything?

This insistence upon having the last say was perhaps the reason why Council refused to consider what I think might have been a helpful gesture towards Parliament — namely, that in cases where Council did not challenge within three months Parliament's amendments on the second reading, its amendments should stand. Such a step would have been a genuine symbolic manifestation of Parliament's democratically justified role in the Community's legislative procedure. I much regret that Council fought shy even of this.

I hope very much that at their meeting on 16 and 17 December the Foreign Affairs Council will flesh out and make more precise the sketchy indications of the procedures to be followed for the future in cooperation between Council and Parliament. Both the outstanding areas on which Council will decide on those dates can and should be approached in a way that will stress and make a reality of the European Parliament's right to take its responsibility and to play its role in the legislation of the Community. No one is pretending that all power should accrue to the European Parliament tomorrow. What we are saying is that the present situation allows no sufficient role for the democratically elected Parliament. It is ironic that many of those most prone to criticize the Parliament for its ineffectualness are those who are most eager to limit its competencies.

Many questions in the life of the Community boil down to this question. What sort of a Community do we live in? What sort of a Community do we wish to create? Do we live in a Community which is made up exclusively of national States and the relationships between them? Or do we live in a Community that has an existence of its own above, beyond and in addition to that of the Member States?

My group is quite clear that the Community is more than the sum of relations between its Member States. The Community embraces the Member States, but it is much more: it is the expression of a historical and an economic future, a future which we can shape together only if we shake off not merely the enmities but even the very thought patterns of the past. I am sorry to say that in the proposed revision of Article 145, although Mr Delors said that it did clear away some of the undergrowth, there are, as we see it,

strong echoes of this anachronistic nationalistic view of the Community.

The Commission is charged with the application of the Treaties, and it is their guardian. The European Council's new draft of Article 145 appears to diminish dangerously the role of the Commission as guarantor of the Treaties. I was delighted to hear what the President of the Commission said, but let us ask that question.

We all know that the implementation and the application of the Treaties are inextricably intermingled, so in reserving to itself the right to implement certain Community decisions, the Council is seeking to push out the Commission from a part of its central role. The Council, I sometimes think, believes in its heart of hearts that it alone is capable of running Europe and regards the Parliament, and ultimately the Commission, as either irrelevant or subordinate to itself. None of us deserves to be a Member of this Parliament if he or she shares that view. It is certainly not the view of my group.

I have said, because I thought it right to say, some harsh things about recommendations of the European Council. I have two concluding reflections which I hope serve to put in context what has gone before.

Over the past 30 years our Community has demonstrated its astonishing resilience and ability to advance. Sometimes the advances have been quick and dramatic, as in the early days of the Community; in the past ten years they have been more painful and slower. The Luxembourg Council was of a piece with the tempo of the past 10 years: it is no triumph, but it was certainly not a defeat.

A little more has been added to the *acquis* of the Community, and our Community has never gone back from any position that it once occupied. In the sort of Community I would like to see, the European Parliament would always be ahead of, and leading the way for, the Council; we are the representatives of Europe, and national governments are properly the representatives of the nations.

It is right that we should criticize, even complain about, the slowness with which the Council proceeds. I do not on that account draw the conclusion which certain colleagues in other groups attempted to draw, that we should denounce or reject the conclusions of the Luxembourg meeting. My group sees itself as a jockey urging on to faster and faster advance the horse of the European Community, and particularly the horse of the Council.

Last week's work in the Council has perhaps brought the Community from a walk to a trot. This is something we must build on, and we welcome the advance on what has gone before. We know full well that we must bring the horse to a gallop. At my age, and build,

Henry Plumb

Madam President, I am perhaps an unlikely jockey, but the race to build Europe is one in which all can and must participate.

(Applause)

Mr Spinelli (COM), *chairman of the Committee on Institutional Affairs*. — (FR) Madam President, this Parliament asked the European Council and the Intergovernmental Conference on numerous occasions, in resolutions and orally, to be effectively involved in the preparation of the draft Treaty and the final vote on it before it was signed and submitted for ratification.

The Council and the Conference loftily rejected or ignored these requests. And you have come here, Mr President of the European Council, convinced that your task is to inform us, not even to consult us.

We owe thanks to President Craxi and Mr Andreotti for having appreciated that such scorn for European democracy could not advance the development of European unity.

By reserving their acceptance of your conclusions until the European Parliament had given its judgment on your efforts, they have ensured that this Parliament is not reduced today to listening to what you have to say and then applauding or hooting, as the case may be. The European Parliament will be judging your efforts, and you will have to take account of this. Thus we can see a glimmer of European democracy on the horizon.

Having studied the conclusions of the European Council, having closely followed the proceedings of the Conference from start to finish, and having taken account of the contribution from the political groups in this House, the Committee on Institutional Affairs is proposing a motion for a resolution to express Parliament's judgment. The judgment that we are commending to you is carefully considered and measured. It acknowledges that, after 30 years' existence, the conference has addressed the main problems of the Community. However, we are forced to the conclusion that you have failed to find a proper solution to any of them.

I do not have enough time to examine each of the committee's conclusions one by one and shall therefore, with your leave, consider three or four of them which cast light on the rest.

You have apparently seen the completion of the single market, the European area, as the keystone of your edifice. You have included this objective in your conclusions, defining what you mean by it, setting a deadline for completion in 1992 and introducing majority voting in the Council on certain issues instead of unanimity. But you have kept the requirement for a unanimous vote on the matters which are of greatest importance to the creation of this single market, such

as tax harmonization, free movement of persons and, most important of all, monetary policy.

Moreover, you have also allowed the so-called 'Luxembourg compromise' to survive. When President Pflimlin and I myself raised this problem with you — on more than one occasion — at the conference, there was no answer. And President Delors now assures us, as though he were President of the Council, that the Council is going to abolish the right of veto by amending its rules of procedure. But Mrs Thatcher was more forthcoming in the House of Commons, where she stated that the Luxembourg compromise, which allows a Member State to invoke a very important national interest to prevent a decision from being taken, was unaffected, that it remained fully in effect.

What all this amounts to is that the unanimity method, in one form or another, remains the rule in Council decision-making. And this is the instrument with which you intend to ensure that what should have been accomplished in the 12 years from 1957 to 1969 is going to be carried through over the next seven years? A likely story! You are so sure that you cannot keep to this commitment that you have felt it necessary to state in your conclusions that the definition and deadline have no legally binding force! In other words, neither our citizens nor this Parliament will be able to invoke the text of the new Treaty to insist that the commitments which it contains be adhered to and given effect if you have not so decided.

Apart from this, I listened in amazement to the words of President Santer and President Delors on the progress made when referring to monetary reform.

You are proposing that we move forward by keeping the same powers and the same voting methods, in other words unanimity, as in the past. No, I tell a lie, you are actually proposing a considerable retrograde step, since institutional developments — such as the creation of a real European Monetary Fund which, under the European Monetary System, could of course have been decided upon unanimously, but decided by the Council — would now entail revision of the Treaty. And you regard this as a step forward in policy on the Community's monetary capacity?

Thirdly, you have completely ignored the serious and increasing dissatisfaction with the inadequacies of the system for financing the Community. Where in the world is there a country where the budget has had to be rejected by its parliament three times in six years? Every year, in fact, an acute inter-institutional crisis erupts. The European Parliament had made detailed proposals for reform which were responsible. You had only to read the chapter on finance in our draft Treaty: it was not maximalist, it was very moderate.

Finally, Parliament has been asking, demanding even, for a long time that action be taken to put an end to the situation — unworthy of a Community which con-

Spinelli

siders itself democratic — of having an elected parliament which is devoid of legislative powers. All that you have offered is to recognize that Parliament has the right to express its opinions twice instead of once and then meekly hope that the Commission in its wisdom will agree with some of them and submit them to you for your approval. Moreover, this would only apply within the very limited range of 10 cases, out of the 40 where majority voting would apply. For the remainder, and for all cases where voting would have to be unanimous, mere consultation would remain the rule.

I will spare you any further analysis. What I have said explains why the Committee on Institutional Affairs is inviting you to consider the results of the European Council as unsatisfactory overall and unacceptable in their present state, especially, but not only, as far as the powers of the European Parliament are concerned. In a spirit of cooperation with the conference and the Council, our motion for a resolution gives an immediate indication of the spirit of the amendments which Parliament is proposing to the Council meeting on 16 and 17 December. It invites the Council to incorporate into the text drawn up by the European Council a limited number of clarifications and amendments concerned, in particular, with cooperation between Parliament and the Council so as to establish a real procedure for co-decision. It also calls for the restoration of the Commission's total responsibility for the implementation of decisions. I must admit to being full of admiration for this Commission which is able to maintain that its responsibilities have been increased when it has been told in unequivocal terms that 'the Council is going to remove some of your executive powers because it might decide to take them over itself'.

In a display of a strange sense of democracy, it has been said in certain Council quarters that if Parliament is looking for a fight, it will get one. Let me close by saying that Parliament does not want a fight, either with the Council or with any other institution; all that it wants is to see the development of a democratic and efficient Community. It wants to be respected. For this reason, it must pursue its aspirations with strength and dignity. I therefore invite the House, on behalf of the Committee on Institutional Affairs, to vote in favour of its motion for a resolution and to follow its suggestions regarding the amendments, especially the compromise amendments proposed by the Committee on Institutional Affairs itself.

(Loud applause)

Mr Cervetti (COM). — *(IT)* Madam President, I do not wish to discuss every aspect and action of the Luxembourg presidency, as other Members have done. In any event, I feel it would be ungracious — and would serve no useful political purpose — to compare the objectives declared at the beginning of this six-month period with the results obtained by its close.

Our Community is in crisis, and we do not believe that a crisis of this kind can be resolved overnight, still less by simply passing resolutions. On the contrary, long and hard work is required.

Nevertheless, I was disappointed by the President of the European Council's appraisal of the current situation. Describing the Community as a living entity and referring to its attachment to the aspirations of the 'founding fathers', thus brushing aside the extent of its problems, does not alter the fact that the crisis is economic and social, as the employment situation shows. The crisis is also political, however, and false optimism of this kind will not help us to mobilize our forces and organize the massive and sustained effort required.

I was even less impressed by the attempt to argue that the Community contains two opposing tendencies or groups, one of which is hostile to any advance — although that, unfortunately, is all too true — while the other is impatient and incapable of making realistic plans and asks too much. The President of the European Council says that we must be realistic instead and adopt the realistic attitude shown by the Luxembourg presidency.

I have to say that the picture the President painted is inaccurate. There is no 'impatient' faction consisting of men and groups out of touch with reality. We are such confirmed realists that we have analysed the precise extent of the crisis and identified ways and means of overcoming it. These ways and means involve the development of democracy within the Community, upholding the role of this Parliament, transcending the Europe of governments and making gradual but nevertheless unmistakable and definite progress towards the establishment of new supranational structures in the economic, monetary, social and technological fields and the attainment of political union.

This brings me to the first of the two concrete questions which I wish to touch on: the question of treaty reform and the redistribution of powers, with due recognition of those which rightfully devolve upon this Parliament in accordance with the position adopted at the Milan Summit.

The President of the Council spoke of success in this field too. What success does he mean? What happened to the conclusions of the Dooge committee, not to mention the draft treaty approved by this Parliament? They came to nothing. That is why we cannot approve the decisions and positions taken at the Luxembourg Summit.

That is also why we declare ourselves utterly dissatisfied with its outcome, and why we Italian Communists shall vote for the resolution by the Committee on Institutional Affairs, in support of which Mr Spinelli has just spoken. That document is intended to encourage — and indeed, in view of the Italian Government's

Cervetti

helpful attitude, to provide — a negotiated solution to the crucial issue of Parliament's powers.

I should like to make another point while I am on this subject. I have heard it said that Parliament must accept that it has to choose between 'small steps forward' or nothing. This is another false dilemma. I do not wish to go into the nature of these 'small steps'; I merely wish to point out that all the evidence shows that the real dilemma before us today is quite different. We must choose between accepting the present state of play — thus barring the way to any truly innovative proposals for a long time to come — and the alternative possibility of keeping negotiations open and making our voice heard by means of definite proposals to amend the treaties.

We choose the second option. We do so in the conviction that we are thereby helping to overcome the crisis in the Community and propel it towards a new future and political union.

Finally, to conclude on an equally dissatisfied note, I should like to submit another specific proposal in connection with a second crucial issue: the question of political cooperation with regard to the Community's international role. Leaving aside the details, I shall confine myself to the essential point: the Community's behaviour before and after the Reagan/Gorbachev summit.

Both before and after the event, of course, Europe and the Council stated their views. Obviously, they could not have done otherwise. But what actions were taken? Let me remind you that the Luxembourg Summit did not even manage to discuss a document, and the question was referred to the Foreign Ministers. This was inadequate, as any failure to take the initiative is bound to be. Be that as it may, I wish to submit the following formal proposal: the Community needs an initiative of its own in the new phase which was opened by the Geneva Summit but has not yet really got into its stride. A first step could be taken by the Ministers meeting in political cooperation drawing up a document on the outcome of Geneva and the prospects which ought to be opened up, for Europe and the rest of the world, with regard to disarmament, *détente* and security. A delegation of Foreign Ministers, accompanied by a representative of the Commission, could then be sent to present the document to Washington and Moscow, so that it might serve as a reference point in the resumed dialogue between the great powers. We make this proposal in the hope of advancing the cause of peace and cooperation and strengthening the Community's position, its present role and its future as a free, democratic and progressive political union.

Madam President, the problems of Europe's role and unity have come home to roost. Words, high-sounding declarations and verbal contortions — and here I am thinking particularly of Mr Klepsch and the expres-

sions he used — are no longer sufficient to resolve these problems, supposing they ever were. What we need are plain facts and unequivocal actions. We shall abide by this principle and do our utmost to promote it.

(Applause from various parts of the Chamber)

Mr Nord (L). — *(NL)* Madam President, the Luxembourg mountain has given birth to a European mouse. After years of discussing grand initiatives — technology, political cooperation and European Union — we now have the results before us, and they are meagre. As was to be expected, the attempt is already being made to dress up the outcome of the Luxembourg Summit to make it look like a great success. The emperor in Andersen's fairy tale is not the only one unwilling to admit that his new clothes do not in fact exist. Does the emperor who appears before us today really have nothing on at all? It would be unfair to accuse him of being completely naked. He does have something on, but it has unfortunately shrunk to no more than a minikini.

The basic question in Luxembourg was whether, on the eve of its third enlargement in 12 years, the Community would put itself in a position to carry out the task it had set itself in the interests of its peoples: Two issues were crucial in this connection.

Firstly, the completion of the internal market so that it has no internal frontiers by 1992 and secondly, the strengthening of the decision-making process and its democratic content. Everyone knows that the first is a precondition for European survival and the second a precondition for the success of the first. In Luxembourg no real guarantees were given of either the first or the second being achieved. It is unfortunately doubtful that the internal market will be completed in the foreseeable future, let alone by 1992, and we do not have all that much time, ladies and gentlemen. European industry has rightly expressed concern about this. If we consider the exceptions, vague wording and reservations in the Luxembourg package, we must sadly say that the results do not come up to expectations. Even where decision-making and democracy are concerned, the results are far too meagre. The European Parliament is fobbed off with a little more influence, which is, however, so vaguely worded that it may easily become a mere formality. Our national parliaments are asked to delegate more responsibility to Europe by allowing majority decisions, but these decisions are taken by national governments and bureaucracies without adequate parliamentary control at European level.

Fortunately, some governments made a vigorous attempt to achieve more than turned out to be possible in Luxembourg. The Italian Government deserves a special mention in this context: it made its final approval dependent on the views not only of its own

Nord

Parliament but also of us elected representatives of the people of the European Community. This places us in a position of particular responsibility. Should we give tit for tat for the defiant way in which the Intergovernmental Conference and the European Council felt they should treat us and mark the events in Luxembourg down as completely unsatisfactory? Or should we stretch out our hands and risk an attempt at improving the results in some respects so as to leave the door open for a Community that functions better? Madam President, we feel we should opt for the latter course. We believe that improvements should be possible in various respects and that they can be incorporated when the generally unclear or incomplete Luxembourg texts which the Ministers must take in hand are amplified and worded more accurately. The points we want to make are more specifically concerned with the decision-making process. They are as follows:

Firstly, the new procedure for the two readings, which is designed to increase parliamentary influence on Community law-making, should not be confined to the articles added in Luxembourg to the list of subjects on which majority decisions can be taken in the Council. It was perhaps forgotten that in a number of cases decisions are taken by a majority under the present Treaties. Logically, the new procedure should therefore apply in all cases where the amended Treaty provides for majority decisions.

Secondly, the second reading procedure needs improving. There is no reason why amendments adopted by Parliament should only be forwarded to the Council through the Commission and only if the Commission sees fit to forward them. It would be better to stipulate that amendments adopted by Parliament should be submitted directly to the Council and become law unless the Council unanimously decides to depart from them, by analogy with the budget procedure, which was also adopted by the Council in this form.

Thirdly, we welcome the fact that we are to be allowed a second reading, which should increase parliamentary influence, but what guarantee do we actually have that there will always be a second reading of this kind? It will depend on there being a procedure to ensure that the Council adopts a position at the first reading and thus takes a vote if necessary. Otherwise, we shall have the bizarre situation of unanimity being needed before a vote can be taken. And in this respect, Madam President, the emperor really does not have anything on.

Fourthly, the new Article 145 enables the Council to deprive the Commission of certain executive powers. That is unacceptable in this form. The Commission's role must be strengthened, not weakened.

Madam President, in the last few days it has become clear that many governments would like to close this file before the end of the year. Parliament must there-

fore indicate this week what improvements should be made to the Luxembourg texts. To this end, we have tabled a few amendments, which, I am happy to say, have now been approved by the Committee on Institutional Affairs and will enable the governments to adjust the texts to read as we think they should. We believe these really very modest improvements can be made during the work the Ministers have been instructed to undertake. If they are made, we shall have at least created a minimum basis for future developments. The citizens of our Community have a right to this, because what they expect of their governments is not byzantine bureaucratic and reactionary prevarication but deeds that lead to economic growth, more employment and better prospects for Europeans.

(Applause)

President. — Following the debate on the European Council meeting, I have received three motions for resolutions:

- (Doc. B 2-1283/85) by Mr Spinelli, Mr Croux, Mr Seeler and Mr Gawronski, on behalf of the Committee on Institutional Affairs, and Mr Barzanti and others, following the debate on the statements by the Council and the Commission after the meeting of the European Council on 2 and 3 December in Luxembourg;
- (Doc. B 2-1326/85) by Mr Klepsch and others, to wind up the debate on the European Council meeting in Luxembourg;
- (Doc. B 2-1327/85) by Mr de Ferranti and others, on the statements by the Council and the Commission following the European Council meeting of 2 and 3 December 1985 in Luxembourg.

The vote on these motions for resolutions will be taken at the next voting time.

I have also received four motions for resolutions with request for an early vote to wind up the debate on the oral question (Doc. B 2-1264/85) on the Eureka project:

- (Doc. B 2-1325/85) by Mr Petronio and Mr Pordea, on behalf of the Group of the European Right, on technological Europe;
- (Doc. B 2-1336/85) by Mr de la Malène and others on the interministerial meeting in Hanover on the Eureka project;
- (Doc. B 2-1337/85) by Mr Poniatowski and Mrs Veil, on behalf of the Liberal and Democratic Group, on the Eureka project and the European Technological Community;
- (Doc. B 2-1338/85) by Mr Linkohr and others, on behalf of the Socialist Group, on the Eureka Con-

President

ference in Hanover and the European Technological Community.

The vote on the request for an early vote will be taken at the end of the debate.

(The sitting was suspended at 1 p.m. and resumed at 3 p.m.)

IN THE CHAIR: MR ALBER

Vice-President

Mr Howell (ED). — As you will know, this morning there was a demonstration outside this Chamber which was banned by the Bureau of Parliament and in which the Labour Party from Great Britain once again sought to raise funds by rattling tins. In this case they made that collection entirely under false pretences in that they had not approached the charity organization and asked for its permission.

In view of these very difficult circumstances, Mr President, one has to ask the House through you whether the matter can be referred to the Committee on the Rules of Procedure and Petitions. Clearly the monies that have been collected are not destined for Oxfam ...

(Interruptions from the floor of the House)

As I understand it, there is going to be no correct audit of the monies and none of that money will see its way to Oxfam. I think it is right that this House knows the facts.

(Mixed reactions)

President. — Mr Howell, this matter has been before the House already this morning. The position is as follows: what happens here in the House falls within the competence of the person presiding over the sitting, while anything that happens outside the Chamber is a matter for the Quaestors. The Quaestors are, in fact, already dealing with the matter. As occupant of the Chair I cannot express any view on it.

Mr Falconer (S). — Mr President, may I first of all suggest that Mr Howell contacts Oxfam in Edinburgh who will advise him that on 15, 16 and 17 November, in the company of Oxfam workers and other people, I walked from foodstore to foodstore in Fife in order to raise money, in order to highlight the plight of the starving world in Africa and elsewhere. That is the first point.

The second point is this. Some Conservatives did donate money to the campaign outside the door, which

was outside the plenary session, but Mr Howell by his actions is attempting to make this a party political battle.

I suggest to him and to any other Conservatives or members of the SDP, the SNP and others from Britain who wish to join us that they come along tomorrow afternoon at 12.30 and we will make it an all-party collection. The Quaestors should have emulated the example set by Bob Geldof, among others, by organizing collections to alleviate famine in the Third World.

President. — Mr Falconer, I have now heard one speaker on each side. The Quaestors are going into the matter and they will decide. We will not prolong this discussion any further.¹

3. *Topical and urgent debate (objections)*

President. — Pursuant to Rule 48(2), second subparagraph, I have received the following objections, justified in writing, to the list of subjects for the topical and urgent debate.

(The President read the list of objections)²

The vote on these objections will be taken without debate.

We now come to the vote on the motion by the Socialist Group, the Group of the European People's Party and the European Democratic Group that the motion for a resolution tabled by the Group of the European Democratic Alliance be deleted from point I (Anglo-Irish Agreement).

Mr Lalor (RDE). — I find it difficult, Mr President, to follow you. Is there a motion before the House to remove the resolution being moved in my name by the Group of the European Democratic Alliance?

President. — The three political groups have requested the deletion of this motion for a resolution on the grounds that it does not relate to the Agreement but rather to the constitution of a Member State and that it is not therefore a matter for urgent debate. The vote on this objection will be taken without debate.

(Parliament upheld the objection — Mixed reactions)

Mr Lalor (RDE). — I want to make it quite clear, Mr President, as somebody who respects the Chair,

¹ *Deadline for tabling amendments — Membership of committees: see Minutes.*

² *Topical and urgent debate (objections): see Minutes.*

Lalor

that I do not want a debate. We are just being told, I imagine, that we are not being given a debate on this issue tomorrow. I asked you a question: is the resolution before the House that my resolution for tomorrow on behalf of my group be ruled out of order? I did not get an answer to that. You went ahead and took a vote, Mr President.

If my resolution was to be taken off, I wanted on behalf of my group to ask for a roll-call vote on that issue.

You ruled, Mr President, that my question had to do with the constitution of Ireland. Not so. It has to do with the Anglo-Irish Agreement.

If the House in its sovereignty is going to rule it out, I want a recorded vote.

(Applause)

President. — Mr Lalor, I informed the House of the request made by the three political groups and also the grounds on which it was made. These do not necessarily reflect the view of the occupant of the Chair. It is my duty to inform the House of the grounds for the objection.

(Mixed reactions — Mrs Ewing asked for the floor)

Mrs Ewing, the Rules of Procedure provide that the vote on the objections shall be taken without debate!

(Protests)

I shall not allow any further points of order, since the Rules of Procedure clearly provide for no debate on the objections.

(Mixed reactions)

After the vote on the other objections

Mrs Ewing (RDE). — Mr President, I don't often quarrel with the Chair and I have been here since 1975, but I must say that I did raise my hand on a point of order before the vote and that puts me in order, Mr President.

(Applause)

The fact that you did not choose to call me puts you out of order, not me.

My point of order was, Mr President, that it seemed to me, as an experienced Member of this Parliament, that you rushed through these votes as if it were already a political decision of the groups and not a decision of the individual Members of this Parliament! One of your Vice-Presidents asked a question which

needed to be asked before he could make his point of order. You did not answer that. That put you out of order, Mr President.

I would suggest to you that this whole matter of the Irish question has become a political decision, a pre-decision by the groups of this House, and the way that this has been handled does no credit to this Parliament.

(Applause from the benches of the Group of the European Democratic Alliance)

President. — Mrs Ewing, I shall repeat what I said already just now. The three political groups moved that the motion for a resolution tabled by your group be excluded from the debate. I conveyed this request to the House. I also announced the reason why this request was being made, and then, since the vote is taken without debate, I went ahead with the vote. I am sorry if you take a different view of the Rules of Procedure.

Mr Arndt (S). — *(DE)* Mr President, may I say that your behaviour was wholly unobjectionable. It is not correct that Mrs Ewing asked to raise a point of order before the vote, it was Mr Lalor.

(Interruption from Mrs Ewing: 'This is not true')

You gave him information. As a Vice-President Mr Lalor ought to know that requests for a roll-call vote have to be made *before* the vote, not *after* it.

My group has so often been overridden on a vote of this kind. If the majority takes a different view, we accept that. I sincerely hope that Mr Lalor and his friends will also bow before the majority of the House and the Rules of Procedure — and if he has problems, he should at least read the Rules of Procedure before he attacks the President unjustifiably.

(Applause from the left)

President. — Ladies and gentlemen, I will not allow this discussion to continue any further. Anyone who asks for the floor on this point will not be called to speak.

Mr Lalor, I resolved, when I became Vice-President, that I would tread on everyone's toes sometime while presiding over the sittings. Well, if it is your turn once again, all I can say is that it shows how anxious I am to give you preference.

(Laughter)

4. Agenda

Mr Klepsch (PPE). — *(DE)* Mr President. I should like to ask you and the House to consider a point concerning this afternoon. The debate on the Council President's report on the European Council conference is to follow immediately. Voting is to begin at 7 p.m. and Question Time is from 5.30 p.m. If I am right, not everyone on the list will have spoken by then — and we must also remember that Mr Santer, President of the Council, and Mr Delors, the Commission President, must have a chance to reply to the debate.

I should like to suggest therefore that Question Time be taken between 9 and 10.30 p.m., so that this afternoon's debate can continue up to 7 p.m. Otherwise there is a danger that the debate will not be concluded properly, and it would be disgraceful if the vote could not be taken until tomorrow or Friday.

President. — Mr Klepsch, I take it that the second part of your request, i.e. that Question Time begin at 9 p.m., relates to tomorrow, since no late night sitting is planned for today. If this is what you want, we would have to discuss it further with the representatives of the staff.

Mr Klepsch (PPE). — *(DE)* You should have the administration look into the question of whether it is possible today or tomorrow.

President. — I shall call one speaker for and one against.

Mr Arndt (S). — *(DE)* To me the important point in Mr Klepsch's motion is that we should be able to finish the debate on the summit and the Luxembourg Presidency without curtailing speaking times. It is possible that we shall have finished by 6 or 6.30 p.m., but in any case, we must end the debate so that we can vote at 7 p.m. We must decide after that when Question Time is to be held.

(Applause)

Mr Pannella (NI). — *(FR)* Mr President, first of all, we have lost 8 minutes of the time that we are trying to save. Secondly, regarding the questions to the institutions, whether the Commission or the Council, I feel that we should make sure that they are free to change from the times that we gave them. I therefore consider that time is being wasted and that we should continue as planned.

President. — Only the Chair can propose an amendment to the agenda. We shall then sort out the question of a night sitting with the staff representatives.

All we are voting on now is whether we are to continue with this debate after 5 p.m. and until such time as it is concluded.

(Parliament agreed to this proposal)

Mr Balfe (S). — Mr President, I would like to draw your attention to Rule 82(1), which states quite clearly:

A Member who asks to raise a point of order shall have a prior right to do so.

Mrs Ewing was in my line of vision, and she did have her hand up before you took the vote. I think everybody in this House realises the result of the vote, but the fact remains, Mr President, that Mrs Ewing was in order and that Mr Lalor, who is not known as a difficult person in this House, was entitled, as leader of a group, to ask for a roll-call vote.

Can you give me an assurance that the resolutions which remain on the agenda are actually available for Members to get in order to amend them? I am sure that the people of Ireland will note what the other parties have done to the resolution from the Group of the European Democratic Alliance and I am sure that some of us may wish to table some amendments to those resolutions. So can we have your assurance that they are actually available?

President. — Mr Balfe, only the motion for a resolution tabled by the Group of the European Democratic Alliance has been removed from the agenda, not the other three. Furthermore, the Chair is in charge of the sitting and is not obliged to accede to every request for the floor.

Mr Lalor (RDE). — Mr President, I should like to make a personal statement in reply to the attack made on me as a Vice-President by Mr Arndt. He said that I ought to know the Rules. I do know the Rules. On the other hand, how do I put in an application in writing before the sitting about something of which I was unaware? There was an application made to you, of which you were aware, by the three groups — the group led by Lord Hume, the PPE and the European Democrats — seeking to silence the voice of Irish Republicanism here. That has been carried. However, I had asked — as I was legitimately entitled to do, Mr President — to have a roll-call vote. I said I was doing it on behalf of my group, and you refused me that right. I am sorry that Irish Republicanism should have been thrust underfoot here today in such a repulsive way. I am amazed to find that even here Lord Hume is trying to keep Mr Balfe from making his contribution at this stage.

5. *European Council in Luxembourg — Luxembourg presidency and political cooperation (continuation)*

Mr Baudouin (RDE). — (FR) Mr President, this is an important debate and I should like to make the immediate comment that it is regrettable that the President of the Commission is not in the Chamber. I do not accept that Honourable Members divide into a first and second rank, and I would have preferred Mr Delors to have been present.

(Applause)

That said, Europe will not be built by publicity and showy summits, but by sustained, continuous and determined effort. The Luxembourg Summit was therefore not as negative as it may seem, because some progress was achieved in a number of areas: the internal market, monetary cooperation, and economic and social cohesion.

To take the internal market first, effective completion is now scheduled for 1992. However, not only is this date not legally binding but the decisions needed to establish real freedom of movement for goods, persons, services and capital will have to be taken by the Council acting by qualified majority. Even so, the Member States still have every scope to bring this important development to a successful conclusion, and the report that the Commission will be making on the progress made between 1988 and 1990 will give an indication of the strength of political will displayed by each of them.

The second advance made at the Summit was in regard to gradual progress towards economic and monetary union taking account of experience gained through cooperation on the EMS and the development of the ECU.

Thirdly, we cannot fail to welcome the reduction in disparities between regions of the Community through the use of the structural Funds, but here I must stress that these Funds will have to be financed specifically, not by a system of communicating vessels. We are all in agreement on appropriate financing, but the European Council gave no serious consideration at any stage to the matter of the Community's finances.

These various texts, however important they may be, however essential, however carefully thought out, will come to nothing unless the preliminary matter of the Community's resources is tackled frankly and realistically. And there is reason to have very serious doubts on this point when at this stage, in 1985, the Council is proposing a budget which, while it admittedly takes account to some extent of the arrival of the two new partners, at the same time fails to take account of the needs of the poorest States already in membership of the Community. I refer here to Ireland and Greece in particular.

I leave aside the matter of institutional reforms, since my colleague Mr Musso will be discussing this aspect. In the social field, we naturally approve the objectives laid down by the Council with a view to improving working conditions throughout the Community. Similarly, the fact that the planning of multi-annual programmes for technological research and development is to be decided by a qualified majority of the Council seems to us to be a positive step in the direction of a European research community and a stronger international competitive position.

A few words, if I may, on political cooperation, a very controversial issue. The curious method based on establishing Community areas of competence in regard to foreign policy in a separate treaty strikes us as interesting, but here again we shall wait and see before making up our minds one way or the other. In this connection I have a passing comment to make about the Commission, which seems rather to have missed the boat in these discussions, losing the chance to secure competence which it does not yet enjoy but could one day be vested in it.

How can a meeting of Heads of State or Government be regarded as a success or a failure when its conclusions are only provisional and even then subject to reservations on the part of two Member States, although there seem to have been some developments in the past few days?

I think that you, the Council, with all due respect, have given us grounds for believing that a few tiny — I repeat *tiny* — steps have been taken in what we regard as the right direction. But we shall not be celebrating until we have received clarification of the unduly complicated methods which you have chosen and which you should simplify and put into practice without delay.

(Applause)

Mrs Hammerich (ARC). — (DA) Mr President, the summit meeting has placed the Community in a dramatic situation. Eight countries are agreed on a package of union proposals, and two countries are blocking the unanimity which is required. One of them is Italy, which makes its acceptance dependent on this Assembly and which thinks that the union proposals do not go far enough. The other is Denmark, which feels that the proposals are too constraining and which is also referring them for consultation — not in this supranational Assembly, but in our own democratic institutions and organizations, the Folketing, the consumer's organizations, environmental groups, the trade union movement etc. The Danish Folketing has not given the Government any mandate, either before or since the summit meeting, to accept the union package, and we expect the Folketing to stick to this position. That is how matters stand at present.

Hammerich

In Denmark we fear that the decisions of the summit meeting will have incalculable consequences for the ability of citizens to influence society, and we know that this package is not the last by any means; it will be followed up by new union initiatives. There are three areas in particular which give rise to opposition in Denmark.

To begin with, there are the many amendments to the Treaty of Rome concerned with the abandonment of unanimity in favour of majority voting. These amendments mean that the right of veto under the Luxembourg Compromise will effectively be rendered inoperative in these areas, if we are to believe the President of the Commission, Mr Delors, and the President-in-Office of the Council, Mr Poos. These amendments constitute a danger to our environment, working environment and consumer protection. The guarantees obtained by Danish Government are worthless.

The second point is the new treaty on a common foreign and security policy. Here we fear that we may be cut off from our Nordic operation. The EPC Treaty is of special concern to the Danish public because it imposes a legal obligation to coordinate our policy with that of the rest of the Community before we take decisions on important issues. The same remarks apply moreover to Article 4, which links the economic policy of the Community together with foreign policy in a single entity, which will make it impossible to take independent decisions, and Article 8, whose deceptive wording opens up the possibility of common arms production. The two footnotes, which have been added on the wishes of the Danish Government, are worthless and are more in the nature of wishful thinking.

The third point is the role of Parliament: it is to be able to block decisions and to have real legislative power in conjunction with a qualified majority in the Council. This is diametrically opposed to the views held in Denmark.

All things considered, this is a dramatic situation. Denmark is blocking these measures, and we shall continue to do so. The only logical and viable solution is for Denmark, after a referendum on participation in the union, to find a less constrained place for itself in the international community and to establish itself, on an equal footing with the Nordic countries, with a free trade agreement with the Community and friendly relations with its Member States and peoples.

Mr Romualdi (DR). — (*IT*) Mr President, ladies and gentlemen, we have never failed to warn against the danger that the wish or, rather, the anxiety of this Parliament — or a majority of it — to make more rapid progress towards the full economic and political integration of Europe could lead us to take ill-judged or premature initiatives or, worse still, to embark on mis-

placed and untimely 'sideshows', fanciful schemes which could end in disaster or simply grind to a sudden halt, with damaging consequences for public enthusiasm for Europe, the credibility of our Parliament, and the status and prestige of the Community as a whole.

It was in this spirit that we argued, at the time, that the summoning of the Intergovernmental Conference at the instigation of the Italian presidency at the Milan summit was a forced outcome obtained through a sense of obligation rather than conviction. Mitterrand did not wish to refuse his colleague Craxi at the Milan 'festival', nor Kohl to disappoint his friend Andreotti. This led to a conference whose final outcome bore no relation either to the wishes of its proponents or to the results which we had every right to hope for and encourage.

I believe, therefore, that I am entitled, on behalf of the Italian Members of the European Right, to say that the document adopted yesterday evening by the Committee on Institutional Affairs, although extensively revised and corrected, is yet another example of the refusal to face up to the political realities we have to live with, given that the majority of the political forces, authorities and governments within our Community are trapped by their own mistakes, which are inevitably reflected in the decisions taken at summits and in the Council of Ministers. This applies not only to the political and institutional field, with the refusal of increased powers to this Parliament, but also to economics and the European monetary system, which is failing to make headway, and to the new technologies. All these questions have been much discussed, for example by Mr Poos and President Delors this morning, but little practical action is being taken, with the result that Europe is trailing behind the rest of the world whereas we could be at the forefront of developments.

Some governments and parties, in fact, are also concerned — and rightly so, in our view — that this kind of initiative and manoeuvre could result in the emergence of a dangerous new Europe, a Europe whose desire for liberty and independence is interpreted as a preference for neutrality over security. An example of this tendency was provided today, albeit in an attenuated form, in the speeches of Mr Arndt and Mr Cervetti. Such a Europe would not be independent and liberated from the influence — the occasionally suffocating influence, as some claim — of the United States, so much as delivered up to the propaganda and the cultural, political and military influence of Soviet Russia and its satellite countries and Communist parties, as we fear. Whatever our political view, ladies and gentlemen, we have to admit that this would not result in the independent and free Europe to which we aspire, but its opposite. It would not allow Europe to resume its rightful and leading role on the international political scene, by which I do not mean a mere supporting part, but a decision-making role which it

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cannot assume responsibly except by means of European Union, which of course must be established on a continental scale, to enable it to take its place as the third Superpower. The Europeans have no alternative if they wish to take their place at the great meetings which decide the fate of the world — or rather the first, second, third and however many other worlds there are, but most of all our old, beloved, Western world; for it is unfitting, and cannot be accepted for very much longer, that its destiny should always and exclusively be determined by outsiders. But, I repeat, to take one's place among the decision-makers it is no longer sufficient to be one of our old and glorious countries, however strong, reliable and important these may be or consider themselves. We must be capable of turning our beloved and glorious nations into a new Nation, a united, free and truly independent Europe.

This is why we, who are neither federalists nor confederalists, but simply Europeans, while expressing our concern and denouncing these very real dangers, and despite our misgivings, will vote in favour of the document addressed to the Council which is to be held in Luxembourg in a few day's time. This document, ladies and gentlemen, is no longer the voice of Mr Spinelli or the Committee on Institutional Affairs, but the expression of the wish and determination of all Parliament to assert its own rights and defend the interests of the Europeans who elected it — not to vegetate or dream, but with a mandate to take practical action and be the collective spirit and living embodiment of the fundamental interests and values of the great and united community of our peoples.

Mr Cryer (S). — Mr President, I am wondering when Question Time is going to take place. That was not made clear in the proposal. I understand it has been deferred and that the debate will go straight through beyond 5.30 p.m. When a decision is made as to whether it will take place tonight or tomorrow night, will the change be announced on the monitor screens? At the moment no information is being given, and presumably those who are absent are anticipating Question Time at 5.30 p.m.

President. — The time of Question Time will be announced later on today after we have discussed it with the staff representatives.

Mr Pannella (NI). — (FR) Mr President, Mr President of the Council, Mr President of the Commission (but I do not see him in the Chamber), I simply wanted to say that it is untrue to suggest that the European Council in Luxembourg gave any ground to the European Parliament. It rejected both the form and content of the European Parliament's position. We for our part are strong enough to have no need to lie to ourselves or to lie to *you*. Our statement of our position was no *diktat*. It was the only serious and rea-

sonable action taken by any of the European institutions in the past ten years. Today, we are continuing on the same course. You are entitled to your opinions — you cannot be prosecuted for them — but when you come here to pull the wool over our eyes, it has to be made plain to you that this is no rump parliament, as I trust it will in a matter of hours.

What confidence can we place in you to undertake any structural reform whatsoever when the 'machine' that is called the Council is incapable, on its own President's admission, of getting more than 10% of the dossiers on which the ministers should be taking decisions as far as the Council table. Physician heal thyself! And you, ladies and gentlemen of the Council, before you give other people any more lessons in realism, should realize that you are destroying Europe! No-one is asking you to sail like Rimbaud's *bateau ivre* in the waters of freedom and Europeanism! It is not to you that we look for that. We just ask you to be sincere with us when you come here, to show that you are able not only to tell us about the presumed limitations within which you have to work but also to be frank about the failures which you call successes. As for the split between the Commission/Council pairing, we shall see whether it is really going to happen.

I also have to tell Mr President Delors, although he is not in the Chamber, that we could understand a Commission for which it was an honour not to be supported by the Parliament. He really is too much in favour of summits to understand that the Commission could derive strength from its pairing with the Parliament. Even so, I thought that he wanted the Commission to be halfway between the inertia represented by the Council and the movement — legal, institutional movement — represented by our Parliament. Mr President, when he dares to tell this House — and I cannot go along with this kind of moral and political misappropriation — that the Commission presented proposals to the Council on the basis of the European Parliament's very positions, following consultations between the European Parliament and the President of the Council, either Mr Delors is deceiving us or he himself has been deceived! The proposals presented by the Commission to the Council, which were rightly rejected, never had the remotest connection with consultations between the President of our Parliament and the President of the Council, who, I trust, will bear me out.

I would also like the truth to be brought out on this matter, because I have heard it said that forgeries have been in circulation as documents attributed to our Parliament. It is important for these rumours to be checked.

In conclusion, I hope, Gentlemen of the Council, that we shall all be demonstrating to you in a few hours that the honour, the traditions, the will of all the European peoples are represented here today, more

Pannella

than ever, following the Luxembourg summit, by this entire Parliament.

Mr Santer, President-in-Office of the European Council. — (FR) Mr President, ladies and gentlemen, it is clearly very difficult to reply to all the speakers.

I should nevertheless like to say that this is the first time, to my knowledge, that a President of the European Council has taken part in a debate in the European Parliament. Having spent five years as a Member of this European Parliament, and served as one of its Vice-Presidents, I am especially pleased to do so. Moreover, I was twice elected by universal suffrage to this Parliament, with my name at the head of the list of candidates for my own country. I therefore know the European Parliament well. I must say, especially following the contribution from Mr Pannella, that it is always very refreshing to attend a debate in the European Parliament, but for my own part I would ask you to try to understand the position of those of us — and I am not alone in this, Mr Delors being another case in point — who have been 'lost' to the European Parliament, having been called to other duties, on which they have come before you today to report.

(Protests from Mr Pannella)

I used that word advisably, Mr Pannella, and you will agree with me how much importance it carries.

Despite the severity with which some of you have judged parts at least of the outcome of the conference as confirmed by the European Council, I am extremely grateful for your comments.

That is all part of the cut and thrust of democratic debate, and it is only natural that the European Parliament should urge the governments to go further and faster. We have just come through a difficult test. Had the European Council failed, one shudders to think how the Community would have stood now and what we would have been saying in today's debate. There were times before the start of the European Council on 2 and 3 December in Luxembourg when failure appeared a distinct possibility. It is only because the Heads of State or Government showed such determination and political will that this European Council was able to reach what was, all things considered, a positive conclusion. And I thank the speakers from the most representative political groups in this Parliament for having contributed constructively to this dialogue and given due credit to the discussions and conclusions of the European Council, as has the President of the Commission as well.

The achievements and conclusions of the European Council in Luxembourg are not to be underestimated. They must not be exposed to the risk of a retreat from what has been accomplished. And that risk, ladies and gentlemen, still cannot be discounted. A number of

compromises were reached once it had become clear that this was the only way to make progress towards the general agreement concluded in Luxembourg. Without a shadow of doubt, if these agreements did not carry the authority of the European Council, the danger of erosion would remain.

It would then be quite some time before the governments renewed the considerable effort which enabled them to reach agreement in Luxembourg on a number of points, a number of very important points, as Mr Delors stressed this morning, to bring home the political implications, the economic and social implications of the agreements concluded in Luxembourg. In the meantime, the momentum gained for the creation of the internal market, largely through a new approach in terms of methods and rules, would suffer from such a setback.

I therefore wonder, ladies and gentlemen, how it is going to be possible to explain to our industrialists, to our workers and consumers in Europe, to all those who perceive Europe in terms of an open, competitive market, that an honourable and in many respects unexpected outcome has been secured if we have been unable to put our own internal disagreements behind us. That is the measure of the importance of today's debate in the European Parliament, in which I have tried, with all the fairness at my disposal, to put the position of the European Council.

I should now like to deal with a few points raised by a number of speakers, although I unfortunately no longer see them in the Chamber.

The first point, which is essential in my view, is the content of the brief given to the Foreign Ministers who will be meeting on 16 and 17 December in Brussels.

The Foreign Ministers have been charged by the European Council with finalizing the drafting on the texts. A second part of their brief is to decide the form to be taken by the two treaties. This is because the European Council did not come to a final decision on whether the two texts amending the Treaty of Rome — concerned with European cooperation on foreign policy and monetary cooperation respectively — should be embodied in a single instrument or some other form of presentation would be required. In addition, the Foreign Ministers will clarify the wording if this is found necessary, for instance in the case of the wording on the procedure for cooperation between the European Parliament and the Council, so as to avoid all possibility of differences of interpretation and to fill the legal void described earlier.

Finally, the Foreign Ministers will be deciding what action is to be taken on several contributions tabled at the conference which, for practical reasons, could not be dealt with by the conference. The Foreign Minister's brief is therefore clearly defined. It was defined

Santer

by the European Council. Subject to what has been pointed out concerning the determination of the Heads of State or Government to bring these negotiations to a conclusion, Parliament's observations have of course been submitted to the Conference. When carrying out their final drafting, the Foreign Ministers will be able to take account of those containing suggestions which do not call in question the decisions taken by the European Council. These, ladies and gentlemen, were the few additional details that I wanted to give in response to some of the speeches made this morning.

Mr Spinelli referred to the so-called Luxembourg compromise, the 1965 Luxembourg compromise which I hope will be abrogated by the agreements reached by the 1985 Luxembourg European Council. This point was not the subject of negotiations at the Conference, and for good reason since this text is not part of the Treaty which it was proposed to amend. One has to remember the terms of reference of the Intergovernmental Conference. This Intergovernmental Conference, the first of its kind since the establishment of the Community, was convened on the basis of Article 236 to amend the Treaty in a clearly defined legal framework. This is the framework in which it was decided to operate. There is absolutely no need to refer to all the other instruments which are not part of the Treaty and have no need to be amended. On the other hand, a number of provisions concerned with the internal market have been framed with a view to ensuring that recourse to blocking tactics does not obstruct confirmation of the conclusions as envisaged by the European Council in Luxembourg.

Ladies and gentlemen, I have now concluded the answers that I wished to give to the speeches made this morning.

As I was saying earlier, I fully appreciate that a number of speakers, among whom I include myself, had hopes of something far more ambitious than the conclusions of the Luxembourg European Council. However, it has to be acknowledged, as some Heads of State or Government have very clearly stated, that the Luxembourg conclusions do represent a compromise for progress. In other words concessions, substantial concessions, were made by all the Member States' Governments on essential points, concessions to achieve the delicate balance which made it possible to reach this agreement, which may be a compromise but is nevertheless a compromise for progress. A step forward has therefore been taken and, as Mr Delors said earlier, we have managed to stay on the right course, and that is what counts.

I regard this as a positive outcome which should be judged at its true value. I also ask Honourable Members to judge this outcome in the light of the compromise for progress achieved on 2 and 3 December.

IN THE CHAIR: MR SEEFELD

Vice-President

Mr Patterson (ED). — Mr President, on a point of order, while I am very grateful to the President-in-Office for replying to the debate so far, may I ask whether he is going to reply at the end of the debate to the questions put and points made by those speakers yet to come, or is he now concluding his participation in this debate?

Mr Santer, President-in-Office of the European Council. — (FR) Mr President, as I said earlier, this is the first time in this House, in my experience, that a President of the European Council has taken part in a public debate. I have done so willingly, for the reasons that I have given.

On the remaining points, the President-in-Office of the Council will give answers to the various speakers. You will appreciate that I have other commitments. I have stayed longer than originally intended, which I have been delighted to do, especially since I was for many years a Member and Vice-President of your Parliament. However, I am sure you will find people able and willing to continue the debate late into the night among the Luxembourg Ministers present — the Minister for Foreign Affairs and President-in-Office of the Council, the Minister for the Budget and President-in-Office of the Budgets Council, and the Secretary of State for Foreign Affairs.

President. — Mr Santer, my dear colleague — I think I may address you thus, as we spent many years together in this Parliament — we all deeply appreciate your being here and admire the way in which you have mastered the difficult brief that you took on your shoulders on behalf of the governments. We extend to you our sincerest thanks for all that you have achieved.

It has not always happened in the past that the Prime Minister of the country holding the Council presidency was here present and gave so much of his time and energy to this House. Now that you have told us that virtually the entire Luxembourg Cabinet is here with us, Mr Prime Minister, we are entirely reassured with regard to the further progress of the debate.

Mr Ford (S). — Mr President, before I begin, I should like to protest about the way the list of speakers was handled today. I presume this will not count against my time. I was due to speak much earlier, but then, without any explanation, other Members were called. I hope that the necessary investigations will be made into this, as clearly the agenda has been abused.

Ford

We do not all agree with many of the points made at the European Council nor with the statement made by Mr Delors. But on the issue of Eureka, I think, we can get far more agreement in the House. Technology agreements have no meaning, as we are all aware, unless they are translated into reality, and it is unclear at the moment whether we are talking about rhetoric or reality. The Committee on Energy, Research and Technology unanimously agreed, because of the Hanover ministerial meeting and meetings that are going to take place in the near future, that we should have Parliament's views this month on Eureka. Unfortunately, to date we have had to proceed on the basis of press reports and oral statements from those present at those meetings, and I hope that Mr Narjes will say that in future we will have detailed written submissions on what is actually happening in this area. Inasmuch as it is a civilian project — Europe is not a defence community — and the technological spin-off from defence projects tend to be drip-offs rather than spin-offs, Eureka should be supported by the European Parliament. We need to build a European technological community to compete successfully with Japan and the United States. However, at the Hanover meeting 10 projects were agreed covering a wide variety of areas, and the Charter of 6 November contains some positive elements. Projects for civilian purposes with emphasis on cross-European collaboration were listed. But Hanover leaves more questions unanswered and a feeling that Europe has lost a pound and picked up a penny.

On the financing, it seems clear that at least the Federal Republic of Germany is not providing extra finance and would be diverting funds that are already available elsewhere. We have very little evidence that there is any sustained technological choice or technological strategy behind the Eureka projects. Japan clearly targets the areas in which it is going to develop its technology, whereas in Eureka's case resources are scattered wide and thinly with meagre amounts of money being available.

Some of the projects are not new. We have the compex vectoral calculator, the French-Norwegian project, which is already going on, and public money is being given to big business to support a project that was already being funded. Some projects are looking backwards. We have the amorphous silica project where the basic research was done years ago at the University of Dundee and we are trying belatedly to catch up with Japan and the United States. We should be looking ahead for new opportunities rather than lagging behind. The Ministers have accepted what is offered. We are funding projects already in existence, whereas what is necessary is a European strategy.

The second area of concern is with regard to the secretariat. As regards the functioning of Eureka, there should be a coordinating body of Ministers with a Eureka secretariat based in one of the European institutions, and the Commission appears to be the

obvious place. Of course we do not want to limit Eureka to the countries of the Community, be they Ten or Twelve, but we see the need for some European strategy and therefore for some European coordination. That would be best carried out by the Commission, otherwise we will have a parallel bureaucracy with waste and duplication and the problems of domination by the larger countries at the expense of the smaller ones. But the press seem to have written off the Commission and the chance of it playing any major role in this secretariat. Maybe Mr Narjes can confirm this. How has the Community allowed itself to be bypassed in this way? You do not have to be a supporter of the Commission to recognize that it has not fought as hard as it could have done in this important area. With no European coordination or strategy and with very little recognition paid to Parliament's debate in October demanding that key sectors at both national and European levels should have a strategy, European research will be further complicated and diluted.

We must welcome and we must meet the technological challenge. Although Parliament welcomed Eureka initially, now, instead of contributing to the European technological community, it threatens to be a new kind of Trojan horse — pretty, impressive and high-technology on the outside, but nothing on the inside. We believe it is not too late. Maybe the Commission can tell us exactly what it is going to do, and I reserve my right to reply to the Commissioner under Rule 42(4).

Mr Poniatowski (L), *chairman of the Committee on Energy, Research and Technology*. — (FR) I thank the Council for being present, but would say to it that we do not always have absolute confidence in either the European Council or the Council of Ministers. There is too much readiness to settle for words, for communiqués rather than realities. Eureka, as we see it, is an example of what has just happened in Paris and Hanover, and this gives cause for uncertainty and worry.

Uncertainty about projects. No strategy for Europe seems to emerge from these decisions which have been taken. The appropriate sequence would have been to carry out a thorough analysis first, then to establish criteria and finally to decide on projects. But the reverse order was adopted. The matter of financing remains unresolved, and if any financial contribution to Eureka is to be funded by reductions in national efforts or Community contributions then it is clear that the national governments have still not understood the scale of the problem confronting us. I have to tell you that I am shocked to see that the United States will be spending 108 billion dollars this year on research and development and certain companies like IBM will be spending 3 billion dollars, whereas we have this tinkering with the European budget, with cuts of 19 million ECU here and 25 million ECU there.

Poniatowski

Worry about structures. It seems to have been decided in Hanover to exclude the Commission from the central decision-making role. Having the Commission in this role was the only guarantee of real coordination between Eureka and the Community's research programmes. It was also the only guarantee that everyone would be able to share in the results of the Eureka programme, large and small enterprises alike, large and small countries alike.

I would ask the Commission to tell us today what it intends to do in response to this situation, what it intends to do to ensure that Eureka makes a positive contribution to the construction of Europe, and does not become an obstacle to the process.

Mr Narjes, Vice President of the Commission. — (DE)

Mr President, as regards the request to the Commission for regular reports on Eureka, there are no objections to that. On the contrary we welcome any kind of political or specialized interest in our work and are of course willing to report on it orally or in writing, and in particular to make available to the Committee the text which the Commission prepared at Hanover.

If I ask to speak now because of this or that critical undertone in the question, it is not because it has surprised me. Quite the contrary, as the Eureka debate is necessarily characterized by a considerable amount of confusion and obscurity.

From time to time, Eureka has been a synonym for confusion. That also holds good of course for misunderstandings which might have arisen in connection with the Hanover conference. In order to clarify the situation therefore, let me say first of all that the Commission shares the concern over the future relationship between the Community and Eureka. In its view this concern should be shared by everyone who is committed to the continuity of the democratic process of European unification and who would not wish to see a return to the intergovernmental methods which had already broken down in the 19th century.

In fact the future of the technological development of the continent is at stake, a development which cannot be exploited without a common technological policy. The challenge facing us all is great. Let me remind you how much I have said in committee on that subject. You know what the Commission achieved by that.

The first achievement was a qualitative breakthrough in research and development policy, in the shape of the multiannual programme, creating security of finance for several years ahead and successfully entering new managerial and technological territory with the Esprit and Brite programmes.

Even before the Eureka project, in March 1985, the Commission pleaded with the European Council for the research budget to be doubled and failed, chiefly

because of the resistance of one government. After the announcement of the Eureka project in April 1985 and between the March and June summits, the Commission drew up and presented a comprehensive design for a European technological community.

The focal point of it was a radical improvement in the decision-making process, in order to take the steam out of the accusations of bureaucracy, which are in fact accusations against the decision-making processes of the Council of Ministers, so as to achieve a second objective, flexibility. The other part of our strategy was a definite extension of our room for financial action, so that we could get ready for a qualitative leap in European research and development policy, a leap characterized by the dimension which Mr Poniatowski mentioned in his speech just now.

As the instrument of an operational nature we announced the advance outline programme 1987 to 1991 and are at the moment engaged in drawing it up and realizing it. I should like to take this opportunity of telling the House that the second part of the Esprit programme, for example, provides for a three-fold expansion of the programme volume. We are starting with 30 000 researcher man-hours and have already obtained the agreement in principle of industry, which is of course our partner in this agreement.

It was against this background that the Eureka conference took place in Hanover. At that conference a text was accepted, stating primarily, and this is important for the answer to the question, that Eureka is complementary to the Community.

May I quote an important sentence relating to this, 'Eureka projects are not to replace existing technological cooperation, the programmes of the European Communities, COST, CERN, the ESA projects, bilateral or multilateral Community projects, or the future development of them, but are, as far as possible, to build on them and to supplement them.'

That is the important sentence, which was unanimously adopted at Hanover. But that is not the end of Eureka's development. Even today there are a wealth of questions which still cannot be answered, because no decision has been taken on them. There is not only the question of the secretariat, there is also the question of the practical significance of the Eureka label, the Eureka mark for certain products. The industry concerned does not know today whether there is any advantage in such a label, and if so what it is.

As far as the secretariat is concerned, there is in fact a limit to our cooperation. We have made it quite clear that the Commission is not in a position to support any political authority which is not that of the Community, an authority which, in its turn, is not answerable to this House. We are prepared only to take on the technical clearing house or task force function, because in our view only the Commission's services are in a posi-

Narjes

tion to do this. Any other way would require a run-up of at least one and a half or two years.

As far as the choice of project is concerned all I have to add to what has been said, is that in fact the Commission was already aware to a greater or lesser extent of nine out of the 10 projects which were discussed in the allocation procedure. There was nothing new about them therefore, and we are at the moment engaged in spotting the possible sources of conflict on an, if you like, project basis, i.e. with practical examples. The problems have to be settled before it is possible to achieve the ultimate objective of making Eureka into an organization complementary to the European technological community, and one which works alongside us without rivalry, just as ESA, CERN and COST have done hitherto, so that together we can capture the full European potential and exploit it as comprehensively, smoothly and efficiently as possible.

(Applause)

Mr Ford (S). — Mr President, I think it may be necessary for the parliamentarians to be issued with scissors and glue so that we can assemble, disassemble and reassemble these two debates into one coherent whole, as we do seem to have been hopping about rather a great deal. Mr Narjes was quite right to say he noticed a critical undertone in some of the questions. Certainly the Committee on Energy, Research and Technology would view itself as being highly critical of the Commission's role. Although there were some encouraging words from Mr Narjes generally, I do not think the view would be changed very much by what he said. Eureka is clearly cloaked in confusion.

The point we were trying to make was that that confusion should be alleviated and that the Commission should take a lead. We face a situation where the United States, it can be argued, is going into a technological cul-de-sac by pursuing the Strategic Defence Initiative. Europe is going around in circles and not spending very much money, and Japan is forging ahead. The technological development in the Community is absolutely vital, and it is not enough for the Community to play an integral part. We want the Community to play a leading part. We want the Community to have some backbone, to stand up at the next meetings, whether they be in Paris, Hanover or wherever we talk about Eureka, and to try to make the claim for playing this leading role. Mr Narjes said nothing about the secretariat, as far as I could hear, and we are interested in his views on the secretariat. I take the point that there has been a qualitative breakthrough in research policy. One might say that it is two steps forwards, one step back. Nevertheless, there has been at least a change of attitude with regard to research policy that can be welcomed.

What we also need, of course, is a quantitative change in research policy, and again we need some arguments

for spending far more money. I welcome the statement he made about Esprit and about the tripling of the Esprit budget, but if you actually work out approximately on the back of an envelope how much money we are spending, it is still absolutely minute compared to Japan and the United States, and we are really very far behind Japan and the United States in terms of spending on high technology. Of course we want to complement and expand the current research programmes within the European Community, both at government and industrial level, but what is happening at the moment is that we are not complementing and expanding. Very often we are merely providing money for industry to carry on doing the work that they are doing at the moment. I would be grateful at a different time and place if Mr Narjes or some representative of his office could explain to us how many of the 10 projects are actually expanding the research that is being done rather than paying for research that is very often being undertaken or is out of date or is unnecessary. The amount of money we have is being spread far too widely and far too thinly and is far too meagre, and we need to have the qualitative research policy actually implemented. That is best done at European Community level.

I welcome the comment that Mr Narjes made when he said that in future he would let us have in writing an analysis of what happens at the Eureka meetings. As I have said already, I would be grateful for some backbone from the Commission in fighting both for the Eureka programme and for the secretariats, and we really want to move on from providing relief for industry. I hope that the resolutions that have been put down by the Socialist Group, the Liberal Group and the other groups in Parliament will be supported and that that will be seen by the Commission as strong support for playing a far more important role — not an integral role but a leading role — in the Eureka programme in future.

Mr Narjes, Vice President of the Commission. — *(DE)* Perhaps I spoke too quickly just now. I expressly said that the European Community's answer to the challenge, to which Eureka is also intended to be an answer, is the European technological community.

For reasons of time I omitted to say that the Luxembourg Summit has, in the form of 11 articles, given this European technological community the same status as the other great Community policies — transport policy, agricultural policy or any other policy — and that on the basis of what has been achieved this year we can make the qualitative leap towards the larger dimension of the 1987-1991 programmes. We want to go ahead with the European technological development, which is so dear to the heart of the Honourable Member, from the bottom up — as was explained in committee, i.e. starting from properly thought out, costed out, scientifically ambitious projects. That is

Narjes

why the European technological community is our answer.

Within the Eureka organization we are one partner among many. It is not the democratic European Community, it is an institution which is by nature a confederation, not even a cooperative, and one which could never produce European technological development in the way which Europe needs in order to survive.

Mr Sutra de Germa (S). — (FR) Mr President, may I begin with a remark about our agenda. I am not so sure that mixing several questions at the same time will bring more Members into the Chamber. I do indeed regard the Eureka programme and technology in Europe as extremely important, but now that these subjects have been inserted in the middle of the institutional debate, I can't see many Members left on the benches of our Chamber.

As coordinator for my group it is up to me to give our interpretation of the motion for a resolution by the Committee on Institutional Affairs. Quite obviously we will support it but its significance, for us, is that in no way can it be interpreted as a call to reject the Luxembourg agreements, as the Italian Government had considered doing at one point. So, we are not rejecting it, but saying that the texts are inadequate, especially on some points. I shall come back to this later. All in all, we see the European Parliament as serene and lucid and opening itself up *vis-à-vis* the Council thanks to a motion for a resolution which satisfies us because its meaning and philosophy are what we wanted.

We are not rejecting it. Why? First of all because a taboo has been destroyed. No one has pointed out yet that for 30 years nobody ever dared touch the founding treaty, the Treaty of Rome. And whenever I have said, in the past 10 years or so, speaking of the problems that exist in my region which is directly concerned by the European policies, 'but we will have to revise the Treaty of Rome', everyone replied with one voice: 'revision, but that would be madness. If we touched them, we would be going backwards, as in the case of the English who have been calling for the renegotiation of their accession for years.'

Well, we have dared to touch the founding Treaty. The advances we have managed to make are no doubt insufficient, but they are positive. So we will have to go further. Perhaps, as President Delors suggested this morning, we will have to make the review of the Community treaty a regular business. He envisaged a two-yearly revision. Why not? But in any case, now that it has been done once, the first time for 30 years, it is clearly something which will be possible from now on and advisable if we are to go further.

To go further, that is the point. And the European Council itself instructed the Council, which is meeting

next week, on Monday and Tuesday 15 and 16 December, in so many words, and I quote the conclusions of the President of the Council, 'to fill the legal gaps which exist on at least two points'.

In the new decision-making process, which I shall analyse in a minute, there are two gaps. The first is: what will happen if the European Parliament rejects the Council's text by an absolute majority of its Members, as it has the right to do? Secondly, what will happen if the Council does not decide, after three months, at the second reading? By very clearly putting the accent on the European Parliament's powers, on this decision-making procedure, last week in Brussels and again last night, the Committee on Institutional Affairs has followed the philosophy of acceptance of the global outcome of the Luxembourg summit and of specific steps to deal with points which are still unresolved.

I want to come back to the procedure decided upon in case the European Parliament exercises its right, which no one has yet dared call a right of co-decision-making. I have protested on several occasions about the fact that we were refused everything, but nothing was demanded of us. Well, I am happy to see that the last version accepted by the European summit specifies that the European Parliament can only vote on sanctions by an absolute majority of its Members. That is a long-established practice in the case of budget votes, but it requires an exceptional mobilization of our Parliament. So it will be up to Parliament itself, whenever it chooses, whether every two months or quarterly, to include in an exceptional sitting a number of votes which will be marked by great solemnity and will therefore have great impact. These exceptional votes will obviously be one of the highpoints in the life of our Community. No doubt, the margin set aside by the Council for this procedure is still very narrow, but since this is a question of building Europe, of progress in Community matters, that will only make the votes even more important politically.

We have been told that the Commission would have the right of veto for votes cast under this system. First, may I say that if a conflict should arise, it could only be the result of poor implementation of the conciliation procedure between Parliament and the Commission, within the Parliamentary committees. We know that a 218 majority vote in this Parliament, further enlarged by the advent of the Spaniards and Portuguese, cannot be taken against anyone, neither against a large group nor against a State. It is a vote of general consensus by Parliament. How could there be consensus between all of us without also having consensus with the Commission? So what could happen is that this right of control of the Commission's over Parliament, and strangely enough of the executive over the legislative, falls into disuse before ever having been used. Under specific circumstances, which are those I have just set out, Parliament would in my view have not co-decision-making power but decision-making power. The margin for play would, however, be

Sutra de Germa

too restricted. So we must work at widening it. May I also add that if a conflict should ever arise between Parliament and the Commission on this issue, *ipso facto*, Parliament could, by an absolute majority of its Members who had adopted the amendment, censure the Commission if it had rejected Parliament's amendment.

So I think that real and definite progress has been made, even if it is still not enough. It is in that spirit that my group will endorse the motion by the Committee on Institutional Affairs. The text of the resolution satisfies us, since it repeats our strategy, which is not to reject agreements signed at the Luxembourg European summit. We want to move forward, especially on issues where there is a legal loophole, as the European Council acknowledged.

Lastly, this strategy derives its force from the fact that yesterday, in the Committee on Institutional Affairs, and today again, I have heard the leaders of the largest groups announce that they supported the motion for a resolution by the Committee on Institutional Affairs. It is in that spirit, Mr President, honourable Members, that we will support it too.

(Applause)

Mr Croux (PPE). — (NL) Mr President, I should like to say to the Luxembourg Presidency that I listened to President Santer's statement with considerable interest. I found it a remarkable analysis, especially where it concerned page 16 of his text, where he in fact diagnoses the difficulties we now face. But I would add that the Council must appreciate that Parliament has its own responsibility and its own position. Mr Santer said:

It is simply that people are not ready for the Community to develop towards European Union as quickly as Parliament would like.

As representatives of the peoples of Europe, a large majority of whom really do want Europe to become stronger and better, it is our task to press for this constantly, and the revision of the Treaties provides a particularly good opportunity in this respect. It must also be understood that we very much want account taken of Parliament's rights in this process.

In a very fine speech this morning Sir Henry Plumb said that Parliament must keep a careful watch on what happens now. I feel the Council too should be very careful. Permit me to say that the Council has perhaps been slightly careless. It has not given this Parliament the opportunity to debate the content of the Luxembourg decisions at its leisure.

I think, Mr President, that the Council has forgotten what it itself said in Stuttgart in the *dispositions finales*: when the time comes to revise the Treaties and, to quote from the text:

to integrate the progress that has been made into the Treaty. The European Parliament will then be asked for its opinion on the matter.

The only Member State to express a reservation was Denmark. I find it a pity that the chance to invite Parliament to discuss the matter in greater depth was not taken. You will after all have heard from all sides of the House this morning how carefully, how constructively and how resolutely where Parliament's rights are concerned this issue has been discussed. I therefore urge the Foreign Ministers to make a serious effort next Monday and Tuesday to finalize, define and elaborate the mandates they have received from the European Council, as shown on page 1 of its conclusions. This is a very important moment.

I should also like to say the following. Parliament, and my group in particular, does not want in any way to criticize one or other member of the Council. On the contrary, we know that most members of the Council, though belonging to different political families, would like to go further. They said so in public the next day, Federal Chancellor Kohl, Prime Ministers Lubbers and Wilfried Martens, President Mitterrand and many others. But a few members of the Council are not so keen. We should point out to them that they too must accept their responsibility to Europe. They have a national responsibility, that is clear, but through the accession of their countries to the European Community they also have a responsibility, legally and politically, to respect the Treaty, including its preamble, which says that ever closer union must be achieved.

We should also like to put some critical questions to the Danish Parliament. We know the Danish people and admire them, but when we see the Members of the Danish Parliament resisting efforts to make the European Parliament a genuinely democratic parliament so that it may also consider the issues which the Danish Parliament itself believes should be dealt with at European level, my impression is that they are not well informed. We must urge the Members of the Danish Parliament to cooperate with us. After all, when they approved the Treaties of Rome, they said that they could not do everything on their own to improve the well-being of our peoples, that they must cooperate at European level in a spirit of democracy.

Mr President, I do not need to repeat what has already been said. Feelings and expectations are mixed. On all sides of the House it has been said that there are many positive aspects. There is indeed *un compromis de progrès*. But it is still too much of a declaration of intent, and what President Delors said implies that this *compromis de progrès* must be the launching-pad for a new and dynamic approach. This is the major political task, and we expect progress to be actually made in the next few days and weeks.

It is impossible to express all these expectations and opinions in carefully balanced texts. We believe the

Croux

third text drawn up by the Committee on Institutional Affairs yesterday evening gives a clear picture of what many Members of Parliament want. It seeks to pinpoint the positive aspects, the reforms, the main points. On the other hand, it also says that the Foreign Ministers have more work to do on Monday and Tuesday. We therefore expect Parliament's rights to be strengthened a little more, something the Commission would also like to see.

We shall not express our final opinion until after 16 December. In January the Committee on Institutional Affairs and this Parliament will be meeting again. That will be the time for a more general appraisal.

Mr President, I feel there is much to be said for taking a careful look at this latest compromise proposal from the Committee on Institutional Affairs and for seeing it as a good basis, a good working paper for the expression of our opinion. I therefore hope we can give the Council of Foreign Ministers a sign so that it can perform its task satisfactorily on Monday and Tuesday.

Mr Toksvig (ED). — (DA) Mr President, Mr Croux's speech conveyed a desire for a more precise explanation of the Danish position on these questions. I have to say to him that I fully agree with him that, when we acceded to the Treaty, the signatories at the time accepted the wording of the preamble on progressively closer cooperation between the European peoples. Those signatories belonged to what is today the main party of opposition, the Social Democratic Party. When the Danish Folketing concluded its debates last night, it was clear that the Danish objections remained and that nothing was settled. I have a general feeling that the Danish position with regard to the results of the Intergovernmental Conference is again in suspense pending a decision in the main Danish opposition party, the Social Democratic Party, which has gone into closed session and can do no more than say: we have to reserve our position until we have clarified our policy.

The Government's own position is quite clear, following a speech given by our Foreign Minister: the package, which goes under the name of 'provisional texts', is acceptable as it stands and, says the Foreign Minister, goes a long way towards accommodating Denmark's wishes. In the Government's view it falls within the terms of the resolutions adopted by the Folketing, by which the Government—with whose parliamentary situation all my colleagues are of course familiar—is bound. There can be no doubt that the progress made with the Luxembourg texts has received the support of the Government through a speech given in the Folketing. I deplore the lack of respect for the European Parliament which has so often been shown by the Danish Government and the other parties, most recently in yesterday's debate, and I do so in this Chamber, although there are not so many of us as

there should be when important matters are under discussion. This is a negative attitude to Parliament which I deeply deplore and which I and my colleagues will make the most strenuous efforts to change.

I have got the impression over the past few days — having followed the work in the Committee on Institutional Affairs, in which the procedure was confused, with oral amendments flying this way and that and being amended in a whole collection of languages, with no concern to check that the whole affair was clear to everybody — that autocratic methods are sometimes used and that the assumption is always that, if the 1984 draft treaty of the European Parliament does not form the basis of some text or other, the text is automatically worthless. There has never been any concern for a reasoned and mature debate on the new situation, pursued without preconceived opinions. I was not a Member of Parliament in 1984, so I have no share in the responsibility for the draft treaty, but I still think that it is wrong to treat it as theological truth.

I think that we ourselves are helping to torpedo the image of the European Parliament. The results achieved are meagre and have been attained slowly and with difficulty, but there has been progress. Giant steps in seven-league boots are the stuff of fairy tales. The policy of small steps in harmony is the right way to move forward. I just hope that our Social Democrat colleagues will quickly decide their position on the important problems. Let us have an answer!

May I conclude by saying that we must move forward. We shall not get anywhere by marching on the spot. My group chairman, Sir Henry Plumb, said this morning that the European horse had started to run its course and that he saw himself as the jockey, urging it on to faster and faster advance. We must ensure that we do not do the opposite and put the horse into what is known in the higher echelons of horsemanship as a piaffer—a pretty performance involving trotting on the spot in formation.

Mr Wurtz (COM). — (FR) There is a risk that the results of the European Council will have an adverse effect on the European Community. May I say that in my view, even if I am not saying the same as those who spoke before me, the main problem is not whether or not the results of the summit were approved by the majority of our Assembly. What is vital, I think, is that today the Community finds itself in a situation in which the most urgent issues are, in my view: combating unemployment, industrial development, a bold social policy, measures to reduce the enormous development gaps between different regions and countries. And following the Geneva meeting, who could still doubt that Europe must again sound the voice of peace and disarmament?

The Luxembourg summit did not commit itself on any of these objectives, in fact quite the contrary.

Wurtz

Let us take the large internal market. The Council entered into specific commitments: 1992 for the free movement of goods and, above all, capital. This is not a question of 'freedom of movement' but rather of 'freedom of speculation'. It is obvious that the multinationals will exploit this deregulation, closing undertakings here and there if they do not consider them profitable enough, playing on low wages, especially in Spain and Portugal, exporting capital, etc . . . It is significant that although the Heads of State entered into commitments involving dates and figures on the movement of capital, they did nothing of the kind on social policy in Europe or on aid to the least developed Community countries. The Heads of State meeting in Luxembourg said nothing about harmonization from above of social legislation, workers' rights, commitments with dates on creating a European social area. On the contrary, the Commission made very concrete proposals to encourage, and I quote, 'labour mobility and flexibility', a mobility and flexibility which, as you know, the most representative trade unions reject nowadays.

There is another cause for concern in the decisions taken by this summit: the proposal to include for the first time, in a solemn treaty, the objective and means of European defence. Article 8 of the draft treaty provides for a 'commitment on the part of the Ten to coordinate more closely their positions on the political and economic aspects of security', end of quote. And again, 'to maintain the industrial technological conditions necessary to their security'. That opens the door to joint arms production and — as some people admit — to the coordination of their employment doctrines. On what basis will these be coordinated? The official agreement, and I am not talking about the more tacit arrangements between the United Kingdom and the United States on the SDI, is eloquent on the subject. We are no longer talking about a 'Europe between the blocs' but of a Europe closely tied to, if not subject to the United States.

In the same vein, I note the total absence of any peace initiative on the part of the Community.

These are the reasons, Mr President, why we regard the results of this Council as negative and a cause of great concern. The reply to those Members here who called in good faith for institutional changes was a deregulated Europe, a Europe of speculators, of joint arms production. Mr President, the Community is at a crossroads. It needed bold initiatives for its revival, for the sake of employment, of peace. It chose confrontation instead of peace, capital instead of men. That is why we regard the conclusions of the Luxembourg summit as extremely serious.

Mr De Gucht (L). — (NL) Mr President, I intend to concentrate on what President Delors described in his statement to the European Parliament as the marriage between the Commission and the European Parlia-

ment, a marriage which he believes will create new opportunities in view of the decisions taken in Luxembourg.

I very much hope this is so, but I feel it will only be possible if a number of conditions are satisfied. On the one hand, the model adopted in Luxembourg for cooperation between the Council, Parliament and the Commission, which should now govern decision-making in a number of areas in the Community, must be clarified and improved in various crucial respects. What happens if Parliament rejects the text adopted by the Council? There will clearly be a legal vacuum, but who is going to fill it? What happens if the Council fails to take a decision at the second reading? Again a legal vacuum. The Commission's attitude in these two cases and the extent to which it sides with Parliament will be decisive. How will it use its right of initiative in the first case and its right to withdraw a proposal in the second?

On the other hand—and this is the essential issue, I believe — what is the status of the amendments the European Parliament adopts at the second reading to the text the Council has adopted at the first reading? In other words, if they are really amendments, will the Council have to decide on our texts at the second reading? We have no objection to the Commission expressing an opinion for or against our amendments. We can also accept that the Commission's attitude towards our amendments will affect the majority required in the Council: a qualified majority if the Commission does not agree with our amendments and unanimity if it does. But what we cannot accept, Mr President of the Commission, is that the Commission should be able to change its proposals to the Council at any time, even at the second reading and at the very last moment. If that was allowed, our amendments would simply be suggestions and there would be no point in having a second reading.

I should like to conclude by asking the President of the Commission the following question.

(F) I am addressing you personally, Mr President of the Commission. The question is as direct as it is simple: are you and, with you, the Commission prepared to undertake not to change your proposals to the Council at the second reading, after Parliament's vote? Are you prepared to submit, at the second reading in the Council, the texts as adopted by Parliament, accompanied by your opinion, be it for or against?

To continue with the metaphor you have used, that of a marriage between the Commission and Parliament, I must say that if your answer is 'no', you will be cuckolding us.

(Applause)

Mr Lalor (RDE). — Mr President, the Luxembourg President-in-Office of the Council today reported to

Lalor

us on the Luxembourg Summit and on the six months of activity of the Luxembourg Presidency. I very much regret the paucity of the achievements over those six months. May I say, Mr President-in-Office of the Council, that I am disappointed at your performance.

As you said to us today, you have been concentrating over the six months on the drafting of a new treaty. It appears, however, that provisions for Community financing have seriously suffered. Over six months ago, as far back as 24 April last, the Council collectively undertook to pay 1 982 million ECU into the Community at that time to finance the 1985 budget. That money has not been paid to date. I was shocked to hear this at our Committee on Budgets meeting this week.

On Monday last Vice-President Christophersen found it necessary to write to you, President Poos, again calling on you to arrange to get this commitment honoured and this sum paid. He wrote to your predecessor on 24 June seeking payment. On 18 July he telexed each of the Member States requesting payment of their individual shares. But the Council undertaking of 23-24 April has not yet been honoured. In fact, only half of the Member States have so far made their payments. Each one has used a different basis for the calculation of the sum due in its national currency.

As usual, Ireland is one of the first States to have obeyed the rules and fulfilled their undertaking, and so also has the State represented by the President-in-Office of the Council. All credit to you! But the big guns all have been found wanting, none has lived up to its April undertaking, and hence the Christophersen letter of Monday last to you.

Why was no reference made to this in the President's summation this morning? We have heard a lot about progress towards a new Treaty or a sizeably amended one, but what real hope have we of making any decent progress while Council and governments of Member States act as more than half have done over the last six months? That means that very little of the almost 2 billion ECU has been paid.

As of 1 January next, this Community will be one of 12 states. Up till now we have been treated at regular intervals to cliff-hanging summits and Council meetings where decisions of a sort are finally made and agreement reached. Now we find that the cash is not being advanced. The Council is very, very big, Mr President, on decisions with cameras and all flags flying, but very small when it comes to paying.

The Didd report on social affairs, discussed here last night, outlines the justifiable demands to be made on the Social Fund on the accession of Spain and Portugal. But absolutely no additional provision has been made for next year by the Council to meet these commitments.

Are small and seriously handicapped nations like Ireland to be sacrificed on the altar of Council inertia? The Mediterranean countries have the advantage of the availability of the newly-created IMPs to modify in some way the Social Fund's insufficiency, but it is ridiculous to continue financing this Community by robbing Peter to pay Paul, especially when Peter is already surviving on pence.

In Luxembourg the Council introduced something described as 'economic and social cohesion'. This is designed to reduce disparities between the advanced regions and the backwardness of the least-favoured regions. Nevertheless, the Commission proposal, COM 331 final, allocating the annual national share-out of the ERDF, shows an across-the-board cut of one-third approximately for each of the existing Ten in order to make provision to accommodate our two new partners. There was no special provision made for the peripheral or outlying least-favoured regions in that proposal, and I have heard nothing from the Council since the Luxembourg meeting of their having refused to sanction these proposed cutbacks. I have heard, however, at Committee on Budgets level, of a promise by the better-off members that they will honourably refrain from applying for grants from the ERDF in order to leave more for the least-favoured regions. I regret that I must take that particular promise with the proverbial grain of salt.

In relation to European security and a new treaty on European cooperation in the sphere of foreign policy, I am worried by the clause which says,

Nothing in this Treaty shall stand in the way of closer cooperation in the field of security between certain of the high contracting parties in the framework of the Western European Union or the Atlantic Alliance.

For neutral Ireland, I am particularly worried about that wording, especially in the light of Article 3(3), which says:

In order to ensure the swift adoption of common positions and the implementation of joint measures, the high contracting parties shall, as far as possible, refrain from impeding the formation of a consensus and the joint action which this could produce.

If Ireland refuses to subscribe to the consensus view, will we be held to be in breach of the Treaty for standing in the way of closer cooperation?

President Poos, I welcomed your introductory speech in July, when you confirmed that your Presidency would concentrate on tackling unemployment. I am afraid that little and insignificant progress has been made, and I am very, very disappointed. Agreed, we have a government concentration back home on non-productive activities, but unfortunately my time is not

Lalor

sufficiently productive for the President, so I cannot expatiate on that.

Mr Verbeek (ARC). — (NL) The 33rd summit meeting has revealed the true nature and real qualities of the European Community. The first and worst aspect detected by the Rainbow Group is the deliberate creation of a democratic vacuum in the Community. This airless structure is being built intentionally, and in it the chances of survival, the rights of citizens, workers, farmers, women and minorities will suffocate. Parliamentary democracy in the Community is undergoing further erosion. The European Parliament is no more than a club. The Commission for its part is being made more dependent on the Council, and the Council takes decisions when it will and shelves proposals if that suits it better.

Mr Delors told us this morning that there are some 500 proposals for legislation from the Commission in the Council's vaults. The Council is a hotch-potch of national governmental interests and power play, over which no control is exercised in the European democratic vacuum. Parliamentary democratic power to legislate and control is being increasingly eroded year after year. Power is taken away from the national parliaments without anything being transferred to the European Parliament. The Council grabs most of the power for itself in this process. In this way Montesquieu is buried, the *trias politica* is destroyed and the great European democratic tradition and achievements of the Renaissance and the period of enlightenment are lost. The Community is thus governed by what I would call executive democracy instead of parliamentary democracy. The Community is a market without a town hall, a large market with a large hole. The citizens of Europe are called to the ballot box, but their votes are thrown into this hole.

Such political circumstances do not happen by chance. They are the consequence of social and above all economic circumstances. As is happening everywhere else in the world today, the relationship between capital and labour in the Community is being further upset by the unlimited power wielded by capital. Labour is being downgraded, the trade union movement, women's movement, environmental movement, energy movement and farmers' movement are being driven into a corner by the plutocrats, who are becoming richer and richer. The result is the loss of parliamentary democratic quality in the Community. Entrepreneurs and their financiers find it quickest and easiest and therefore best to work with the small political élite: the Council. In this way the fuss and bother, the time involved in and the control exercised by parliamentary democracy can be largely avoided. The area covered by 12 nations in thus becoming one market controlled economically and politically by a handful of industrialists and plutocrats, and the Community is thus at the beck and call of the 27 captains of industry, judging by their cautionary appeal through the Council in Luxembourg last week.

The situation is far worse than this disappointed and indignant Parliament would like to believe. Parliament grieves rather than analysing the situation, stating its views and then taking action. The democratic process in the Community has not only slowed down: it is also undergoing fundamental change. The developments which it is now hoped to set in motion will never result in this Parliament becoming a genuine parliament. It is a master without a ship, a game without a ball and a body without a head. The European Parliament is coming to look more and more like the North Atlantic Assembly. Europe is increasingly being governed by military-political command models. That is where the focus of these developments must be sought. The Europe of technology, Eureka and, in the case of the United Kingdom and the Federal Republic, SDI, is drifting into military technology and into space. Trade and competition are the incentives and the justification here, but the interests, rights and security of the public are under threat.

This Community has no constitution and cannot be justified by the constitution of any democratic nation, least of all one of the 12 sovereign Member States. The Rainbow Group will therefore support the Spinelli resolution.

Mr van der Waal (NI). — (NL) Mr President, the radical changes to the Treaty which many had hoped the latest Community summit meeting would bring failed to emerge. We feel this should not surprise us.

Even during a special summit meeting the Community cannot after all show itself as being different from what it really is: a cooperative association of independent States which have to consider their national interests in all the Community decisions that need to be taken. And these national interests vary widely. Is it then any wonder that intergovernmental reality is stronger than supranational theory? Can a proposal for the amendment of the Treaty do much more than reflect the most it has been possible to achieve in the past through practical cooperation? This shows that we should think twice before categorically and unconditionally rejecting any agreement to make changes very gradually.

It should also be remembered that the strength of cooperation lies not only in legislation but primarily in the way the Member States deal with each other. So far the main obstacle to cooperation in the Community has not therefore been provisions of the Treaty but a lack of political willingness and opportunities. Thus various things have been done even though the Treaty makes no provision for them, like the Lomé Conventions, while many things which the Treaty permits or even requires have not been done. We need only think of the transport policy.

In short, Mr President, legislation can do no more than codify existing reality and commitments to be

van der Waal

entered into, and it must then be said that the reality of the highly disparate Community is primarily inter-governmental in nature. That is a realistic point of departure and one that was unequivocally confirmed in Luxembourg.

Inseparably linked with this is the minimum increase in the European Parliament's powers. Obviously the governments do not really know what to do with this body, which they themselves created. That is not surprising either. In a structure in which the Council operates chiefly on an intergovernmental basis and — rightly in our opinion — ultimately keeps the decision-making powers to itself, can Parliament be allotted a clearly defined place, with procedures that display a dominant supranational aspect?

This leads us to conclude that the European Parliament would do well to face facts and abandon its strategy for establishing a European Union. A procedure for consultations between the European Parliament and the national parliaments could then lead to the development of a structure in which the division of powers and the democratic control of Community decision-making were properly arranged, tailored to actual cooperative links within the Community. We believe this would best serve the further expansion of European cooperation and also greatly improve the public image of Community activities.

Mr Giavazzi (PPE). — *(IT)* Mr President, ladies and gentlemen, we are here to analyse the results of the Luxembourg Summit, which, it was hoped, would introduce a period of renewal in the Community, a phase — let us not forget — which was intended, by common consent, to launch the Community towards Union. The painful but unavoidable conclusion is that this did not occur. The Luxembourg summit must be judged on this issue, rather than in terms of what it did and said or, alas, failed to do and say. It cannot be denied that the summit failed in its purpose, which was not only to bring about the renewal so ardently desired by Parliament, but also to be consistent with the successive declarations of the European Councils of Stuttgart, Fontainebleau and Milan.

The first and incontrovertible criticism is that the Intergovernmental Conference and the European Council failed, on the whole, to rise to their task. The Intergovernmental Conference failed to comply fully with its mandate or to fulfil its essential political purpose, confining its activities to a technical exercise to revise certain treaty provisions. The European Council failed to formulate a political position capable of providing the required new impetus towards Union, despite the fact that this is universally desired by all the peoples of Europe as a means of overcoming the Community's present economic stagnation and unemployment and preventing its Member States, great and small alike, from playing an increasingly passive and decreasingly active role on the international scene; as a

means, finally, of enabling us to live up to our past and take charge of our future.

However, having said that the summit failed to live up to our expectations, if we analyse the overall results achieved — and taking into account the good points as well as the bad — we still have to say that the outcome was unsatisfactory on the whole. It is not possible to analyse the results in detail in the course of a short speech. But I fear that there is every prospect that good and useful proposals concerning, for example, the completion of the internal market and the promotion of economic and social cohesion, however laudable they are in themselves, and however much the Commission and its president are to be congratulated on their determined efforts to achieve them, will fail to attain their intended objectives unless the reform of the decision-making system is extended to such vital areas as taxation, Community finances and monetary union, particularly since the principle of majority decision itself provides such ample scope for derogations that it is likely that it will prove even weaker in practice than its already rather shaky foundations in law. Finally, the substitution of the principle of cooperation between Parliament and Council for that of co-decision does not solve the problem of achieving effective decision-making in the legislative field, but merely shifts the burden to a voluntary system which, as the history of the Community has already shown, is often insufficient to overcome conflicts of opinion and interest.

Naturally a negative judgment of this kind, whether it is a political assessment or the verdict of an entire Parliament, must be discussed and must be adjusted to the realities of the situation, which impose certain limitations. That is why Parliament must take advantage of the reservations expressed by the Italian delegation in order to bring its political influence to bear in two important areas. Firstly, to ensure that the Foreign Ministers assume their full responsibilities at their next meeting. Admittedly, the mandate of the European Council imposes severe limitations, but nevertheless it is accepted that the body responsible for pursuing the process launched by the Milan summit is the Council of Ministers, which opens up prospects for further reflection and, more particularly, for drawing conclusions from the European Parliament's vote. Secondly, to ensure that, even if the outcome of the Luxembourg summit played down the importance of Parliament's role, its conclusions are applied in such a way that the process of unification is resumed and pursued as stringently as possible. This process must be resumed — which is the aim of the amendments tabled by our group to the proposals to be put to the vote today — to enable us to monitor the progress which the Council claims to wish the Community to make, and to tackle the unresolved problems which are currently bedeviling Community life. If the process is not resumed, events, rather than any verdict of ours, will ultimately demonstrate the inadequacy of what has been decided. But if it is resumed, as we all hope, fur-

Giavazzi

ther progress can be made on the basis of the positive results that have been achieved by exploiting the efforts of all for our common future, particularly by means of effective and decisive collaboration with our Parliament.

Mr Ephremidis (COM). — (GR) Mr President, what is needed is a summary of the essential results of Luxembourg, stripped of rhetoric. It was a compromise between the economically and politically strong countries, designed to secure their supremacy within the Community, and their economic, political, military and strategic interests. The means towards this was to set in motion the unified market, to limit the veto drastically, and to institutionalize political cooperation by developing a defence policy, with the aim of imposing their will and their interests at all levels, let alone the political and economic aspects.

On the other hand, there has been a surrender on the part of the less-favoured, weaker countries, and unfortunately, the Greek Government can be numbered among those who have so surrendered. The consequences for our country, which were already negative under the existing Treaties, will be all the more so in the economic, industrial, agricultural, and political sectors as our national sovereign rights are curtailed.

We do not believe that something has supposedly been offered in exchange. In the five years during which we have been here, the famous solidarity and economic cohesion referred to in the preamble and in various directives of the Treaty of Rome have not only failed to work, but on the contrary have widened the gap between the weaker and the stronger countries. For these reasons, Mr President, we are clearly against the conclusions, and thus we oppose the resolution that has been tabled, because it calls for certain amendments which will make the reforms in question even worse. There remains the problem of ratifying these results of the new Treaty, or whatever else you may call it. It certainly will be ratified, because there is a government majority hand in hand with a majority of the Right. But the problems will persist and multiply, and the reaction of working people in our country, already strong, will become stronger and will frustrate this reorganization in favour of the interests of the monopolies.

Mrs Wurth-Polfer (L). — (FR) Mr President, ladies and gentlemen, we have just lived through five months which have certainly not brought any spectacular new developments or regrettable retreats for Europe, five months of life in Europe within a changing world. And yet this was probably a period of considerable importance for Europe. It will have made it possible to prepare the future of our Community. That the Luxembourg European Council finally produced results in spite of the differences of opinion and lack of European resolve, is, I think, largely thanks to the very

careful preparation of this summit by the Luxembourg presidency, whom I would like to congratulate. Moreover, as representative of Luxembourg, I am proud to see that once again the Luxembourg presidency has acquitted itself of its task to everyone's satisfaction so that the smallest Member of the Community has once again managed to make a major contribution to the goal we are all aiming at.

May I now, Mr President, turn to a few more specific areas of recent Community action. In the economic field, Europe has made its mark during the second six months. Not only internally, where a great many decisions and significant measures were taken — such as the guidelines given to the coal and steel sector, so sorely tried in the past, but which can now prepare its future with confidence — but also externally. There too it has done good work in establishing or consolidating our coal and steel exports to the United States. Our economic relations with that country are still difficult but this mere fact by itself illustrates the European Community's economic and commercial influence.

Our Community's influence in the world is also illustrated by the importance the Mediterranean countries attach to establishing stable and constructive relations with the Twelve; the proposals which were recently formulated and are now under discussion with the southern Mediterranean countries show that Europe in its turn attaches great importance to that part of the world.

But Europe also made its mark politically, in summer and autumn, when the Ten and Spain and Portugal made a positive, balanced and dynamic contribution, in terms of political cooperation, to the three sources of tension, South Africa, the Middle East and Central America. The visit by the European *troika* to South Africa and the decisions taken on 10 September demonstrate that Europe does not merely react but also acts.

Although it is true that the initiatives were not understood immediately, it is encouraging to find that within the Commonwealth several African or non-aligned countries will no doubt take part in a similar mission in the near future. Europe plays a less active role in the Middle East. It does indeed support the endeavours of King Hussein and the Jordanian-Palestinian agreement of 11 February 1985 and has repeated this on several occasions in the past few months. It did indeed condemn terrorism and acts of violence and has shown itself resolved not to be diverted from its support for all peace efforts. However, surely Europe has the means to go further, to go beyond a policy of declarations and take initiatives? My view, and I think many of you share it, is that Europe can do more. And in this context may I draw your attention to the proposal the President of the Council made at noon on a ceasefire between Palesti-

Wurth-Polfer

nians and Israelis to give the peace process a chance to get under way.

Sometimes Europe has also shown signs of ambition, by signing an economic agreement and institutionalizing a political dialogue with the Contadora Group of Central American countries. It has persisted and has signed, determined to follow up the bold initiative put forward at San José in 1984.

May I express the hope here that Europe will prove equal to its ambition and its task, even *vis-à-vis* countries which, like Nicaragua, are moving away from democracy.

The Luxembourg presidency has enabled Europe to move forward and significant action has been taken in many, if not all fields.

It is now up to the Dutch presidency to take over and give proof, in the same arenas — and others — of the continuity of the dynamism of the presidency and the Member States of a Europe now enlarged to Twelve.

Mr Coste-Floret (RDE). — (*FR*) Honourable Members, on behalf of Jacqueline Thome-Patenôtre from my group and on my own behalf, may I express my disappointment with the meagre results of the inter-governmental conference. True, some progress has been made; good intentions have been expressed and reasonable prospects have emerged for the creation of a vast internal market in 1992. Moreover, there have been improvements in monetary cooperation. But there is one very serious matter, which is that the conference has not given the Community the institutional instruments it needs if it is to decide and to act.

The only way to overcome the paralysis of the Community institutions would have been to improve the decision-making process and increase Parliament's powers. What happened? Parliament was granted the right to two deliberations in the legislative field, i.e. has the right to deliver two opinions. But it was refused the vital co-decision-making power.

As for the Council of Ministers, everyone knows that the rule of what is called the 'Luxembourg compromise', which derives not from the Treaty but from the interpretation of a mere communiqué, paralysed the Council. What do we see now? We see the margin of the qualified majority widen a little, it is true, but then hear that this is an exception to the rule. That too is very serious, because it means that the Luxembourg compromise is being institutionalized for the future by a treaty. We cannot approve results of that kind.

I think it is Parliament's duty to say, while taking note of what has been achieved, that the Council must go further than this. Parliament will say this because it is its duty to do so. I am sure it will not try to evade the issue. As for us, we will vote for the amendments pro-

posed by the Committee on Institutional Affairs because they seem quite reasonable to us.

Mr Ulburghs (NI). — (*NL*) Mr President, what do we want to achieve with the Community? That is the question we must ask when considering the Eureka project as a sign of European unity. What is important is not that we should have the most advanced technologies to make us the undisputed master of the world that we once were. If the European Community has the historic opportunity to take advantage of its unity to pool its financial and scientific resources, its political leaders must ask themselves the following questions: will technological progress increase the inequality or the equality of Europe's citizens? Will technological progress give the 13 million unemployed in Europe new hope? Will technological progress give the 30 million families in Europe the decent housing they lack at present, and can it offer the 340 million Europeans of tomorrow a society in which they can live in peace and in harmony with a healthy natural environment? Technological progress must therefore be at the service not of defiant competition but of a qualitative leap forward by alleviating the genuine needs of the European people.

European unity, Mr President, should also stem less from endless discussions at an isolated summit meeting, from a Council, a Commission, a Parliament, than from the broad masses of the people — because they want to know what is being done at higher levels — and primarily from the poorest and most neglected groups and regions in Europe, and there are enough of them. If the political leaders spent a year working like Ali — you know what I mean — if the privileged, well-fed, well-housed and heated politicians on their fat salaries spent a year living in damp and unhealthy accommodation, having to pay rising interest rates to the banks, they would know that present-day Europe cannot be developed from growing poverty and unemployment and hopelessness.

To conclude, Mr President, I want to emphasize that the political leaders in Europe must set social priorities when selecting technologies: they must alleviate the genuine needs of the people suffering the greatest hardships and enable the people to participate in the construction of a peaceful and just Europe.

Mr Vandemeulebroucke (ARC). — (*NL*) Mr President, we heard Mr Santer say this morning that the Council and Commission had arrived on the other side of the barrier. But this is not true of all 10 members of the European Council, because I must congratulate the Italian Government in particular on the position it courageously and consistently adopted at the Luxembourg summit meeting: it not only wants the European Parliament to have the right to participate in the decision-making process but also adds deeds to words by making its attitude dependent on the decision we take

Vandemeulebroucke

today. I find it disconcerting that the leaders of other countries who claim to be European federalists returned from the Luxembourg summit with a satisfied look on their faces. Change in any essential respect will after all be impossible unless it is again ratified and approved by all 10 Member States. Change will thus be impossible without Denmark's approval, and Denmark has given a clear 'no'.

What was the real political background to the Council's attitude? It was prompted by the desire to keep Denmark's minority Conservative government in power. We have taken note of the debate that took place in the Danish Parliament yesterday and of the decision that followed it. And I therefore ask you: would it not have been wiser for the European Parliament also to consider the possibility of holding a referendum in Denmark and possibly requesting Denmark to withdraw from the Community? Do democratic rules not imply that every people has the right to choose the alliances it wishes to belong to? That Denmark should be the only Scandinavian country to belong to the Community is in itself unnatural, in my opinion.

What, then, was achieved at this summit meeting? The figleaf of a second reading for Parliament, and the recognition of the ECU and the EMS, which is in fact *post factum* recognition of what was established long ago at international financial level. As for political cooperation, everything remains as it was.

None the less, we shall vote for the resolution tabled by the Committee on Institutional Affairs, although we regard it as the bare minimum.

Mr Lomas (S). — Mr President, I think that this Summit has been yet another wasted opportunity to deal with the main problems facing the people of the Common Market countries. These are the deepening economic crisis and the mass unemployment. Yet once again nothing has been done to give any hope to the 15 million people unemployed in the Common Market. Nothing has been done to give any hope to the over 30 million people living in poverty, not in the Third World but in the Common Market countries and this on the Commission's own figures. No hope has been given to those people. Nothing was done about the obscenity of the millions of tonnes of food that are destroyed every year while people are starving in the world and people in our own Community find it more and more difficult to make ends meet. Nothing done, again, about the hundreds of secret food stores dotted all over Europe whose whereabouts neither the Commission nor the governments dare disclose nor what is in them, because there are people outside going hungry. I suppose there is one thing at any rate over which I might breathe a little sigh of relief, namely, that so little was achieved.

But let us examine one or two things that happened. First, the British Prime Minister said that the results

were good for business. Now that is an interesting phrase. She did not say they were good for working people. She said they were good for business. Please note that the agreement replaces unanimous decisions with qualified ones where it involves banking, where it involves insurance, where it involves moving capital around Europe, in other words, all the issues which benefit big business and financial speculators. But when it comes to the rights of workers, when it comes to free movement of people, then we still have the unanimity agreement. So that is why the British Government and some others in the Community regarded this as being good for business but not necessarily good for the people who work in those businesses.

On political cooperation, how shallow, what an empty agreement! Let us have more political cooperation! And almost the next day the British Government walk out of Unesco to the great dismay of the other nine Member States. Really, of course, there is no reason why you should expect to have political union except on some rare occasions. I would begin to get a bit worried if a Socialist Government started to agree on political union and foreign affairs with governments that took exactly the opposite point of view to Socialism. Of course there are some areas where we can move together, and in those we should move. That is quite right. I am not objecting to that. But it is an illusion to think that governments of quite different political natures can come together and start issuing common statements, particularly on world affairs. I find that really quite hard to believe.

We now have to face the fact, and I think it is becoming more evident year by year if we are honest with ourselves — and I hope the Council and the Commission are — that really you haven't a clue how to solve the economic crisis in the Common Market! Every year the unemployment goes up. Every year the poverty rises. Every year the opportunities to improve living standards get less and less. I think that is obvious now to people who live in these countries. I tell you what I could suggest to you: Why don't you consult with the West European countries that are not in the Common Market, Austria or Sweden or Finland or Norway or Switzerland, for instance, all of whom have very much lower levels of unemployment than the Common Market countries, all of whom have much higher standards of living than the average Member State in the Common Market? Maybe you could get a few tips from those countries on how to run the economies here.

Finally, let me make one thing clear. The British Labour Party is not against changes in the Treaties. We are very much in favour of changes. We would like to see really radical dramatic changes. We don't want the kind of changes I suspect the majority in this Parliament want, though. What we want to see are changes that will reduce the powers of those who seek to exploit working people in Europe. We want to see

Lomas

power transferred back to national parliaments, where governments elected by the people can carry out the programmes on which they were elected. That is what we believe to be real democracy, and those are the changes that we would like to see in the Treaties. I hope that next time the Summit meets, it will get down to the important issues facing the Common Market, those of unemployment and the economic crisis.

IN THE CHAIR: MRS PERY

Vice-President

Sir Jack Stewart-Clark (ED). — Madam President, I hope the Council will view this debate as the opportunity for this Parliament to give guidance prior to the meeting of the Foreign Ministers on 16 and 17 December. Our group wishes to reserve its position until such time as we have seen the final text of the Luxembourg Agreement. In particular, my group would like to have unequivocal confirmation from the President-in-Office of the Council of the following.

Firstly, that the Treaty amendments for completing the Common Market do constitute legal obligations at least as binding as those contained in the EEC Treaty. Secondly, that the amendment to Article 145 does not remove any powers from the Commission or give any new powers to the Council. Thirdly, that Parliament really has gained the right to reject Council common positions, even if at present in a limited field. Fourthly, that the veto will really only be used in Council on matters of vital national interest and that an explanation must be given when it is. Fifthly, that political cooperation will, if possible, remain within the institutions of the Community and certainly that this Parliament and its Political Affairs Committee will continue to be fully consulted. I know these things have been said, but they do need crystal clarification so that no doubt remains.

This cannot be a time of celebration nor of congratulation. None the less, it is time for acknowledgement of limited achievement, and I would like to thank the Luxembourg presidency for what it has done in this regard. The European Community has surely been pushed forward by a combination of fear of potential crisis, democratic pressure from this Parliament and the will generated by a number of dynamic and determined individuals. Let me give the example of the internal market, which does open up opportunities for trade expansion and therefore for the unemployed. Firstly, we see the fear of the USA and Japan which has forced us forward. Secondly, we have seen pressure from this Parliament, the Kangaroo Group and its committees — and I mention in particular Mr de Ferranti, Mr von Wogau, Mr Rogalla and Mrs Scriver.

of dynamic individuals, and let me mention our new Commissioner, Lord Cockfield, under and clearly backed by our new President Delors.

I was glad to hear the President of the Council say today that Parliament will cease to be a consultative committee and that Parliament's vote will have a specific legal effect. But this refers essentially to measures in regard to the internal market, so the new authority applies, in effect, to only half the activities of one of Parliament's 18 committees — and even in that small area there is still not genuine co-decision. May I express the hope that the forthcoming presidencies of the Netherlands and the United Kingdom will ensure that these new procedures really do take place. Through goodwill and determination on the part of Council, Commission and Parliament we can make sure that this takes place.

Mr Romeos (S). — (GR) Madam President, for years on end, both within and outside the European Parliament, there has been discussion concerning the need to review the Treaties of Rome on the basis of past experience, in the light of present challenges, and with the aim of a Europe of the future. A Europe that will be more decisive and effective in facing the challenges of today and tomorrow.

It was commonly agreed that to achieve these aims it would be necessary, acting on certain assumptions, to proceed with certain necessary institutional reforms. And within six months, much more rapidly than many would have expected, the leaders of the Member States — at the Luxembourg Summit — reached an important agreement on basic institutional reform.

No sooner had agreement been reached, than reactions flared and the debates and assessments began. The first reactions remind one of discussions about whether a glass should be referred to as half-full, or half-empty. But whatever one's perspective of the glass, there can be no doubt that at least it is not empty. Even half a glass is no small achievement amidst so many contrasts and conflicting interests.

However, let us answer yet another basic question. Economic recovery and cohesion, technological restructuring, the upgrading of political cooperation and credibility, improvement of the quality of life, and the re-establishment of Europe's international authority: are these just matters of institutional changes, or do they depend fundamentally on political will? Let us be frank. It is not the fault of our institutions that the dollar has almost become Europe's currency. Our institutions are not to be blamed because Europe has not responded to the technological challenge of America and Japan. It is not their fault that Europe does not have its own political voice and its own political message to the world. They are not to blame because the Community has not gone ahead with new policies. And quite clearly, the institutions are not to blame

Romeos

because the budget, the very budget we have been debating recently, does nothing for the cohesion and convergence of economic levels within the Community.

We too support the claim for greater powers for Parliament, but, ladies and gentlemen, let us go even further. As representatives of Europe's peoples, let us get to the heart of the matter and set aside formalities. Let us fight for a Europe for all Europeans, for a Europe without frontiers, but also without inequalities. For a unified internal market with equal potentials and Community solidarity. Let us declare emphatically that political convergence presupposes economic convergence, and more specifically identity of interests, problems, and attitudes.

The vision of a new, economically self-sufficient and politically independent Europe is a matter of political will, expressed by solidarity and economic support for the policy of converging the economic levels. If this political will is lacking, I cannot see what purpose will be served by greater powers and more radical institutional reform.

Mr Estgen (PPE). — (*FR*) Madam President, honourable Members, no one in this Chamber will object if I, as a Luxembourger, begin by congratulating the Luxembourg presidency for the exemplary manner in which it has acquitted itself of a very difficult task. In particular, I congratulate Mr Santer, Prime Minister and President of the European Council, and also our Foreign Minister, without forgetting the administration, that is to say the officials who are so often forgotten in this House or merely criticized . . .

When we evaluate the Luxembourg summit — and evaluations will necessarily differ from one political camp to another and even from one individual to another — we must never lose sight of the initial situation.

First of all we must remember that the Intergovernmental Conference was set up against the wishes of three Member States. We must remember that these same Member States refused to amend the Treaties. We must remember that unanimity is absolutely essential in order to get any change at all, to achieve the least progress by an amendment of the Treaties — and it is we here who wanted this amendment of the Treaties. I would like to ask all my colleagues who, in the presence of the Council, are making great speeches here and loudly demanding more substantial progress, not just to act as Members of the European Parliament but also to act as responsible politicians in their own countries and to try to persuade their own governments and parliaments to follow a more European road.

Let us embark on a little 'political education'. In any examination, candidates are judged and assessed

according to the effort made and progress achieved since the last exam. Just think how often we in this Parliament have had to pass very severe judgment on the European summits and councils. Think how often we have had to criticize the Heads of State and Government and give them very bad marks because they behaved like naughty children who say they will do better, without ever producing any concrete results.

But in Luxembourg we have a result. We have a result that can be shown in figures, that can be weighed up, that will be incorporated in the Treaties and, therefore, in the annals of the Community. It is true that once again the summit will not pass the test with flying colours. The results are too poor, too fragmentary for that. But at least it did not fail, and that is the main thing.

This Luxembourg summit, which was the outcome of an initiative taken by this Parliament, was intended to achieve a step forward towards European integration. This historic opportunity was not ignored, the test was not failed. True, we had an adjournment, but an adjournment to a precise date, to 16 and 17 December, the Conference of Foreign Ministers. The most important thing we must now do, as a European Parliament, is to give more extra lessons, to indicate quite clearly what we expect, without enthusiasm, but with hope, with commitment, with lucidity and with the determination characteristic of us. We shall do so through the resolution we will be voting on this evening. It is at that level that we must assume our responsibilities, for do not forget that public opinion, and history too, will judge not just the Heads of State in relation to the Luxembourg summit but also the Members of this Parliament. It is true, and could have been foreseen from the start, that Parliament did not get what it wanted on many points. But it did produce some results, which are the outcome of a difficult compromise achieved with great effort by the Luxembourg presidency. It is a new Luxembourg Compromise, but far more cheering for every European than the first Luxembourg Compromise.

In this context, let me say a few words about my own personal views and those of my group on the Eureka project. We are entirely in favour of what was agreed in Luxembourg: Eureka as part, but only part of the European Technological Community. Eureka acts as a stimulus and motive force for that technological Community, especially as regards economic initiatives. This thrust must not be held back or disturbed by centrifugal forces, i.e. by State subsidies being given by certain countries. Eureka must be seen as a coordinating force, effective and able to focus the intellectual and economic potential in the field of technology, a coordinating force that will prevent our energies from being dissipated and wasted. In any case, the Eureka project must not lead to the growth of a new bureaucracy but serve as an opportunity to make use of our existing instruments and render them more effective.

Estgen

To conclude, while regretting that the overall results are unsatisfactory, we have to admit that an important step has been taken in Luxembourg, that the Community has not gone adrift and that it is still steering the same course. So since we do not want to do what we in Luxembourg call *d'Ham an der Mellech kachen*, which means to boil the ham in milk, let us not despair. Let us think like Mr Delors, our President of the Commission, who said this morning that we had kept to our course and are therefore not adrift. Let us, who know where we are heading, fight on.

(Applause)

Mr Prout (ED). — Madam President, my concern is with the proposed amendment to Article 145. The Commission has declared itself satisfied. Should it satisfy us?

The problem, Madam President, is that if the powers of the Commission are reduced in favour of the Council, so are the powers of Parliament. Outside the budget we have no political control over the Council. Against the Commission, by contrast, we have at least Article 144, or rather the threat to use it.

The Commission appears happy with the new clause granting the Council the right to exercise implementing powers directly. What does this mean? If it grants the Council executive powers, then it is to get something that so far it clearly does not possess. If it seeks to grant it the power to make delegated legislation, then it enshrines a constitutionally rather dubious practice which has recently developed and to which we as a Parliament are totally opposed. If the clause does refer exclusively to delegated legislation, then the text must say so. It must also say whether or not the Council is restricted to acting on a Commission proposal or whether it can legislate independently.

The problem, Madam President, has a second dimension. This looks to me increasingly like another blow to Parliament's supervisory powers. The procedure in regard to the Outgoers Scheme is a recent example of this. Important political and budgetary questions are decided by a Commission proposal to the Council, excluding Parliament under a purported but often entirely bogus delegated legislative power. In reality new legislation is being made without democratic scrutiny. We are simply asked about the framework. From the details formulating the rules that really matter, we as a Parliament are increasingly excluded.

(Applause from the benches of the European Democratic Group)

Mr Iversen (COM). — *(DA)* The summit meeting in Luxembourg on 2-3 December 1985 was something that sticks in the throat of my party. The meeting adopted many amendments to the Treaty of Rome,

amendments which make it more difficult to live with that Treaty. However, I must say it is gratifying that the summit meeting did not end with the adoption of an actual union treaty. It is also gratifying that the right of veto is upheld in most areas covered by the Treaty of Rome. But the result — as I said at the start — sticks in our throats all the same.

We are very concerned about the introduction of the qualified majority on the internal market, and we are far from convinced that the guarantees which have been provided in the environmental area are good enough. We are opposed to a continued restriction of European foreign policy cooperation to the 12 Community countries; any opening up of the Community to other countries is clearly illusory. We are also opposed to the European Parliament getting more powers; the delegation of power to this supranational organization is unacceptable to us.

My party, the Socialist People's Party, would like to have brought about some clarity in the Danish Folketing, already in the debate yesterday night, which closed at 3 a.m. But the Danish Social Democratic Party chose yesterday to launch out into a morass in which the Danish position on the summit meeting continues to be fluid, and the Danish position will clearly remain fluid for some months to come. We think that the compromise should have been rejected straight away. We see no other course for Denmark now than to free itself from the Community in one way or another. We think, especially after the debate here today, that this would suit both Denmark and the Community.

Mr Musso (RDE). — *(FR)* Mr President of the Council, Mr President of the Commission, ladies and gentlemen, Denis Baudouin has already spoken on behalf of our group on the general conclusions of the European Council of Luxembourg.

For my part I should like to dwell on the cooperation procedure with Parliament provided for under the new draft treaties. If I have understood correctly, we are being granted two rights: one is the right to amend, the other the chance to deliver a concurring opinion in very specific cases, which are a hypothetical further enlargement and certain agreements with third countries, which I will not go into now.

But I do want to come back to the right of amendment. True, and others have said it too, it is a small step, but at least it is a step, and not one to be dismissed, for it is in fact relatively important. If we look at the articles of the Treaty involved, we see that it covers the rules prohibiting all forms of discrimination, it relates to freedom of movement, the right of establishment, the approximation of legislation and commercial policy and, in addition, to matters also provided for in the new draft treaties, namely cohesion and technological research and development.

Musso

So it is a small step for us. It is indeed not in line with what the majority of this Assembly wanted, but we accept it and will take it. We will not make a stubborn and obstinate stand and say to the European Council: 'look again at your duty and then we will decide'. Our group has decided and accepts it.

There is, however, one little detail which is quite important and which worries me in this process: in the shuttle system that is to be set up between Parliament and the Council, if I have understood rightly the Commission will have to forward its amended opinion to the Council after Parliament itself has tabled its amendments. So, without questioning for a moment either the Commission's serious intent, Mr President, or the spirit of cooperation in which we are trying to work with the Commission, it does not seem quite right to me that at the same time as Parliament — i.e. an Assembly elected by direct universal suffrage which represents the Ten and will soon represent the Twelve Community countries — is granted the right of amendment, a kind of filter, even if it is the Commission which acts as this filter, is put between this Assembly and the governments which were chosen by these very countries.

You said, Mr President of the Commission, that the Commission and Parliament formed a couple. A moment ago someone said it was a marriage. If we want the couple or the marriage to work, both parties must be faithful, and what I fear is that one day, for reasons of expediency which we cannot foresee, we will find we have been deceived and at that moment the system would become blocked, which would be a great pity.

Mr Staes (ARC). — (NL) Madam President, I would point out that the Eureka initiative was originally taken by France in response to the United States' SDI plan. Without SDI there would never have been a Eureka.

I would also point out that Mr Poniowski said during the technology debate in this Chamber in early October that it was in fact impossible to separate the civil and military aspects of the new technologies. He is the chairman of the Committee on Energy, Research and Technology. I assume he knows exactly what he is talking about, and I know he is very careful in that respect.

I would point out that the European Space Agency, ESA, is being led up the garden path by the United States as regards ESA's participation in Spacelab test flights, during which nothing short of military tests involving the destruction of satellites with lasers in space are to be carried out with ESA equipment supplied by the German industry.

I would point out that France recently approved as part of its *force de frappe* a billion franc programme for

the development during an initial phase lasting until about 1992 of offensive systems which will enable it to destroy defence systems placed in space by other countries. France itself thus sees the Eureka initiative as a response to the United States' SDI.

I would consequently point out that the statement made at the ministerial conference in Hanover that Eureka must be an exclusively civil project is one of the best jokes I have heard in this Community in the last 18 months, and for that at least I am grateful.

Mr Walter (S). — (DE) Madam President, ladies and gentlemen, the outcome of the Luxembourg summit is definitely unsatisfactory. I think that now it is over the European Parliament is faced with three tasks: firstly it must discover how it was possible to reach that outcome. The favourite explanation is that the failure to achieve a radical reform of the Community was due to two or three Member States. This is a popular explanation, but the wrong one. The truth is that even the majority of the so-called European-minded governments did not want a radical reform of the European Community.

Secondly, we Members must discuss in public back home the reasons why this radical reform was not achieved at Luxembourg — leaving aside artificial party political considerations and on the basis of the majority findings which we have reached here in the European Parliament across group boundaries. And also without any malice towards colleagues who have the misfortune to belong to parties which are in power back home.

As regards the negotiating position of the German Federal Government one thing is clear, the government of the German Federal Republic did not want any real right of codetermination for the European Parliament. Neither did the Federal Government really want to overcome the veto in the Council of Ministers, and neither did it want genuine monetary and technological cooperation within the European Community without any ifs or buts. However, if the strongest partners went into the governmental conference with suffocating ideas like this, we should not be at all surprised by the outcome.

Thirdly, the European Parliament must press for further improvements. The European Parliament can be expected to be prepared to compromise. It is possible to call for understanding for the fact that there is no great chance of reform at the moment. But there is one thing that the European Parliament cannot be expected to do: to give up its claim to be a parliament. That means that we cannot accept any formulae which deny the European Parliament any right of codetermination in the future. It is at this point that the Italian Government's reservation concerning further improvement must be used.

Walter

Now we are being told that a resumption would jeopardize the whole thing. To me, these are the hypocritical arguments of people who do not want the European Parliament to get anything which is not already on paper. We are also told that any further substantial change would be blocked by Denmark.

As a Member from the German-Danish frontier area, I can understand why the Danes oppose the European Union. But I have no sympathy when Denmark says no to increased rights for the European Parliament. If Denmark blocks the democratization of the European Community, it is taking a severe historical burden upon itself.

If 11 Member States really want this democratization of the Community, it may not, cannot and will not founder because of the 12 Member State — if those 11 really want democratization and are not just hiding behind Denmark! In other words, if the tail is trying to wag the dog, one must demonstrate that the dog has legs for walking with and not a tail.

We have here a fundamental question of democracy! The Luxembourg decisions mean wider terms of reference for the EC and less influence for the national parliaments. They do not give to the European Parliament the powers which the national parliaments have already lost, and will lose further. They enrich the institutions of the European Communities at the expense of democracy in the Member States. This is a dangerous way, and one which should not be an acceptable solution for anyone or for any group.

That is why we presume to demand improvement on this point — possibly contrary to all the wise things said by the so-called diplomats, and certainly contrary to the advice of many journalists — possibly with very little chance of success. Be that as it may. The improvement for which we are calling is nevertheless essential to the self-respect of the European Parliament, and essential for the respect of those who have sent us to this Parliament.

(Applause)

Mr Mallet (PPE). — *(FR)* Madam President, honourable Members, no one in this Parliament can assert that the European Council of Luxembourg is an historic event opening the door to a splendid future for Europe.

The evaluations in fact range from virulent idealism to prudent idealism, from resigned to un-resigned realism, from 'yes but' and 'yes if' to 'no but' or 'not unless'. Although the results are not non-existent, they are quite clearly disappointing and inadequate. At this stage we do not need to pass final judgment yet.

There was indeed reason to fear total failure. We are familiar with the differences between Member States

and the constraints imposed by Article 236. Thanks to the political will of some governments, the wisdom of the Luxembourg presidency, and the good proposals put forward by the Commission, slight progress has been made towards the creation of a European area devoid of internal frontiers and towards the reform of the institutions, with a view to making them more effective and more democratic. It will perhaps be a final point of departure, if Parliament makes resolute use of its power of influence. But these results are totally inadequate in terms of the people's expectations, the requirements of a European future, the requirements of democracy. We had dreamed of a cathedral and are being given a shack.

I shall not repeat the restrictions, exceptions, loopholes and ambiguities of all kinds which severely limit the scope of the agreements. For my own part, I particularly regret the weak chapter on monetary cooperation and the fact that a major part of the three hundred decisions needed to achieve the internal market will continue to be subject to the paralysing unanimity rule. I wonder, like Mr Jacques Delors this morning, whether the institutional instruments — not forgetting the financial resources — are adapted to their purposes, which are ambitious, especially now that the Luxembourg Compromise has as a whole not been abolished.

I also wonder very much about the substance of the chapter on technological research and development. The text is good. It offers a certain margin for action; but will it be implemented? Or will it remain an empty framework? There is a risk. The current situation in this field reminds me, if you will permit a familiar image, of a man who pretends to take a legitimate wife, the Community, while living away from the conjugal home with two mistresses, Eureka and the SDI.

But let us be serious. The issue is whether Community action will prevail over intergovernmental cooperation or not, or at least whether the Commission will make the two methods entirely complementary and coordinated, if possible. Will this action stem mainly from Community framework programmes decided unanimously, or from sectoral programmes decided by a majority, or from supplementary, variable geometry programmes?

How will it be distributed between these two levels? Is there not a risk that the whole system will come to a standstill at the level of discussion of the framework programmes, and what resources are the Member States willing to make available for these programmes? I believe this problem remains unsolved and what is happening this year with the research and technology budget inspires little confidence.

Aside from the debate on the institutions, let us never lose sight of the important goal at stake. Without a substantial increase in integration and European cooperation, our countries will not manage to return to the

Mallet

paths of growth and employment nor will Europe recover its role and influence in the world.

Today people may well doubt that a political will exists in all the Member States. But one thing is beyond doubt: the necessary resources do not yet exist.

(Applause)

Mr Patterson (ED). — I speak as Parliament's rapporteur on the internal market, and in that capacity I note how important it is to distinguish clearly between ends and means. The purpose of Treaty changes is not for their own sake but to make the ends easier, and therefore my touchstone is whether these decisions make the end of the internal market by 1992 easier. My answer is, Yes if.

First of all the 'yes'. There are certain very positive aspects which I find in this document. In Article 1, for example, we have a definition of the internal market as one without frontiers. I take that to mean not just some frontiers but no frontiers, and that is important even if it is not legally binding: it is a statement of political intent. It will also presumably include fiscal frontiers, and I note that the new Article 99 is a great improvement on its predecessor. Article 100 A is clearly an improvement insofar as it produces qualified majority voting on some of the measures necessary. There are strengthened legal procedures, which I am glad to see, against cheating by using protectionist measures under the guise of health regulations, and there is this Article 6, which, though not nearly as strong as we should have liked, does provide in 1992 for a mechanism for sweeping away, if necessary, all the necessities for legislation and making qualifications and standards mutually recognizable. All that is very positive.

But now I come to my 'if', and here I would like the President of the Commission to listen, because I have an important question for him. Earlier Mr Spinelli referred to a statement in the British House of Commons that the Luxembourg Compromise had not been discussed, and Mr Santer said that is because the Luxembourg Compromise is not in the Treaty. But President Delors, in his statement, very clearly said that there had been an agreement on changing Council procedures. Now if that is the case, that answers my 'if'. It is no use, for example, substituting majority voting for unanimity if there is never any opportunity to vote; that is only of importance if there is this agreement in Council, and therefore I ask President Delors, could he please be absolutely explicit as to what agreement the Council is likely to reach on its voting procedures. If that is the case, then I say this agreement is a good one — yes for the internal market — and it will be something which we can look back on. If there is no change in the Council procedures, then it is only very, very marginal.

(Applause)

Mr Filinis (COM). — *(GR)* Madam President, I believe our Parliament should approve by an overwhelming majority the proposed resolution by the Committee on Institutional Affairs and Citizens' Rights, which condemns the serious and dangerous delays at the recent Intergovernmental Conference in Luxembourg in relation to radical institutional reform of the Community.

There can be no democratic and united Europe of the people, no citizens' Europe, so long as the solution to this problem is postponed. We should be clear about this. Europe's peoples need a European Parliament with real legislative powers. Otherwise, the Community will remain undemocratic, the EEC will remain beholden to the governments and the State bureaucracies, with continually worse consequences for working people and for the weaker countries.

We need a European Commission with full executive powers which will not be frustrated by unacceptable rights of overruling by the Council of Ministers. In parallel, Council itself should live up to its responsibilities, by taking decisions with an increased majority and abolishing the present veto, which essentially secures the dominance of two or three larger countries in the Community.

The Community's economic system must be radically reformed, to finance new common policies. Only then will we derive overall benefit from an internal market free from frontiers, when we start to close both the gap between Europe and the United States, and the gap between richer and poorer countries in the Community itself.

Mr Christiansen (S). — *(DA)* Madam President, ladies and gentlemen, in my opinion Parliament has done much damage to the European debate in recent years, with its union plans, with the draft for the Spinelli treaty. It has produced ambitious plans for so-called political union and has distorted the dialogue on the development of the cooperation which exists between the Ten and the Twelve.

It is high time now that Parliament realized that a treaty on the establishment of European union is no longer relevant, that the ignition system for the union firework display no longer works. We should realize that certain Heads of Governments at summit meetings are much given to using grand words but have not the will to translate them into concrete concepts. What has now come to us from the Intergovernmental Conference has nothing to do with the ambitious and fanciful institutional changes which the European Parliament wants and has committed itself to, but is concerned with the content of cooperation, something which in my opinion has not been of particular interest to this Assembly. Parliament must now realize, in the light of the results of the Intergovernmental Conference, that the Community's existing rules and struc-

Christiansen

tures remain in force, that the Council retains the power of decision, that the Commission has the right of initiative and that Parliament remains a consultative Assembly. Finally it must realize and acknowledge that the existence of the right of veto, as agreed in the Luxembourg Compromise, is a fact of life, since it was not even discussed at the Intergovernmental Conference.

And what now? What is our position now? The Intergovernmental Conference ended, not with two countries entering reservations, but with two countries taking different stances. Italy said that it would take its decision on the basis of the position adopted by Parliament. If Parliament rejected the package, Italy would also reject it, i.e. in respect of new powers for the European Parliament. Denmark said: we are not in a position to say yes or no here and now. This is still Denmark's position after the debate in the Folketing last night. Thus we still do not have a yes or no to the result of the Intergovernmental Conference.

There are three reasons for this: a number of investigations have to be instituted with regard to guarantees, texts and protocols, to determine what their legal consequences will be.

Another reason has to do with the difficulty of knowing what Italy's position will be under the formula adopted at the Intergovernmental Conference, since it depends on the decision taken by Parliament today.

The third reason is the fact that no final texts are actually on the table at present. At all events that must have been noted by the Danish Government in the Folketing yesterday. However that may be, I would merely point out that the Danish Government has not so far adopted a position on the matter — i.e. has not said either yes or no — and that neither the parliamentary majority, consisting of the government parties, nor the party I represent in the Folketing have said yes or no. We reserve our position and will also not say yes or no at the meeting of Foreign Ministers on 16-17 December. There must be some clarifications, following which Denmark will also have to take a decision.

I will conclude by saying that I personally very much hope that the guarantees which have been given on any crucial new issue of principle regarding the internal market will consist of minimum directives which respect national legislation on health, the working environment, the external environment and consumer protection etc. The procedure must remain legally tenable. But if the rest of what emerged from the Intergovernmental Conference were to be acceptable to Denmark, the European Parliament would need to show a little more flexibility in future. Because one thing is certain for a majority in the Danish Folketing and the Danish Government, and that is that Denmark wants no part in any move to strengthen the powers of the European Parliament.

Mr Beumer (PPE). — (NL) It would be unfair to claim that the European summit meeting in Luxem-

bourg produced nothing of merit. Particularly where the internal market is concerned, nationalistic entrenchment appears to have weakened and to be acceptable in some respects. There are signs that the European market will soon begin to take off, a development for which Parliament has been calling incessantly since 1979. It is also a development which on balance will be to the advantage of all those countries that still set so much store by external barriers and, more to the benefit of the Americans and Japanese than of the citizens of Europe, still keep too much going.

The first challenge the Dutch Presidency will face is to bring the completion of the internal market nearer with a rather better set of instruments. The vigour it is at present showing in this respect will be an important test both of its own qualities and of the ultimate value of the draft agreement. In this regard my group is doubtful whether the many exceptions will not merely result in a little bit of internal market, the effect of which will be limited for Europe and will not be felt by 1992. Are we asking too much if, with a reference to the highly praised Albert and Ball report, we now call for more scope — by which I mean majority voting — for the internal market, to the benefit of employment, for example.

It would be a simplification to say that Parliament is, of course, only pleading its own cause when it demands more influence and powers. Its legitimacy and mandate are based on the most direct form of democratic expression: direct election. In this it is a match for a government and the Councils derived from it, which usually come into being on the basis of parliamentary majorities, and for a Commission, also appointed by the national governments.

I am less interested in which of the three is, or should be, the most important than in pointing out that the present relationship between the institutions is completely unbalanced. After all, the legislative task of the national parliaments has been assigned, at European level, to the Council and not, as would seem logical, at least partly to the European Parliament. Secondly, a large majority of the European electorate voted for the main political movements, parties which all had joint responsibility for the legislative process in their election manifestos. There is something wrong when a political majority that has thus emerged proves so inadequate in getting its way on policy. Thirdly, so far the European Parliament has enabled the citizen's voice to be heard but has failed to do it real justice. If we set any store by a democratic Community, we cannot afford to leave it at that.

Seen in this light, the proposals that emerged from the Luxembourg summit and have yet to be spelled out in full are inadequate, especially as there is no prospect of further development. It is quite possible that the European Parliament's influence will grow as a result of the proposed second reading. But this will depend,

Beumer

for example, on the cooperation of the Commission, which must become more forceful, and an interinstitutional agreement might prove useful here. It will also depend on the way in which the Council uses the second reading, and here again the Dutch Presidency can point the way.

What remains essential, however, is a partnership in legislative decision-making. Before it adopts its final position, it will therefore be very important for the European Parliament to know, for instance, precisely what procedures the Foreign Ministers eventually intend to apply in the event of a) Parliament's rejection of the common viewpoint and b) the Council's failure to take a decision by the appointed date. There must therefore be deadlines which make decision-making unavoidable, exceeding the three-month limit being particularly important in this respect, and cooperation with Parliament must extend over a wider field. Parliament is not here to straighten things out or to make statements devoid of any sense of reality but to force through a policy and to call for plans that bring agreed objectives a reasonable step closer to achievement.

We therefore see 16 and 17 December as more than a formal conclusion, and we shall make our final opinion dependent on the outcome. I would point out that there has been no shortage of constructive suggestions from us today. I therefore hope there will be an adequate response to them on 16 and 17 December.

(Applause)

Mr Turner (ED). — Madam President, I wish to speak on the oral question on Eureka. The objectives of Eureka have still not been established. They are still in the formative stage. Originally we had hoped that Eureka would mean that Europe would get its priorities right in a wide technological sphere. The first 10 projects are related to cross-frontier cooperation between companies in projects closely related to the market for technology relevant to immediate products. That is fine and I am entirely in favour of it. One can select them on an *ad hoc* basis, as has been done so far, without reference to fundamental priorities. But some of the first 10 projects also go further upstream towards research, are more fundamental and relate to medium-term future products and not those on the threshold of the market. For those sort of products and projects — and I am convinced there will be many more of these in Eureka in the near future — we must have European objectives and priorities and they must be looked after by a European-minded body. At the present time Eureka is simply an intergovernmental organization with the Commission as the 19th wheel on the vehicle. That is all right for the projects lower down on the market, but it is not alright for those further upstream. For those the Commission must demand a predominant coordinating role so that we make sure that Europe's objectives and priorities are

incorporated in Eureka schemes. We must ensure Europe's potential in technology. For instance, the Commission could amalgamate ideas from Italy and France. There are lacunae in the technology of Europe when you compare it with that of America and Japan. Only a European overview will find where these lacunae are and decide to fill them.

Finally, there is duplication in European technology, for example, in telecommunications where every country does everything. Only a European overview can solve that. For such projects in Eureka the Commission must demand a predominant coordinating role.

Mr Megahy (S). — Madam President, one thing is certain, and that is that the results of the European Council see the end of the road for the European Parliament's draft treaty project. As the poet said, it goes out not with a bang but with a whimper. This should have been a day of jubilation for the majority of the Members of this Parliament, when they saw all their work coming to a triumphant conclusion.

In fact, as Mr Arndt said this morning, the elephant has conceived a mouse. Of course, there are a lot of people trying to put a smile on the face of the mouse. We have had a tremendous PR campaign throughout the whole of the European Community trying to convince us that massive sweeping changes have taken place. However, Members of this House know that no such changes have in fact taken place.

For the very first time we have been told that the Italian Government has actually given the opportunity to this House to have real power, because they have said: 'If you do not like it, we will throw it out'. And what happens at the first sign of real power in this place? The Members chicken out. They alter their words. Look at them! They are going to accept it now, despite all the brave words in the Committee on Institutional Affairs over the last few years. This big forward change — they are going to accept it! Do not push the Italian Government too far! I do not blame them. At the end of the day they have got to compromise, but we could have saved a lot of fine rhetoric over all these years if only they would have recognized that. I told them that years ago. This shows me the futility of all the time and energy that has been spent on talking about institutional reforms.

My colleague, Mr Lomas, spelled out clearly the kind of things we think the European Community should be doing at the present time. Even so some of these changes, small as they may be, are changes that we cannot accept. For example, the reference to monetary union may not mean anything practical, but it is an undesirable path of the freedom of Member Governments to pursue their own policy. Putting an end to qualified voting on Article 100, which is always used to extend the power, is very dangerous.

Megahy

Furthermore, it is a myth to think that the internal market is going to bring benefit. That just will not work. You have got the common agricultural policy, for example. That is not a matter of one or two governments actually preventing change. In fact, the bulk of the governments, being firmly in the grip of the farm lobby, refused to do anything about change, and you will not alter that by any of the changes that have been made here.

Of course we need cooperation, but the kind of cooperation envisaged in the Treaties has failed. Yet the answer given to that is: 'That has failed. Give us more of the same.' I think that is completely the wrong point of view. There is nothing preventing the countries of the European Community from solving their problems except lack of political will and lack of real economic policies designed to get the people of Europe back to work.

Mr Stauffenberg (PPE). — *(DE)* Mr President, ladies and gentlemen, two points: if, as President Santer said so impressively in his speech today, this summit has brought some progress and has equipped or will equip the Community with the further powers which it needs in order to fulfil its obligations with regard to the internal market, research and technology, cohesion and environmental protection, then that is something to be welcomed.

But that progress has no counterpart in the structures of the Community, in its decision-making structures. We all think that the European Community is more than an economic development association or a mere club. It is a Community for the sake of freedom, social progress and democracy among European peoples. That is why it is no longer acceptable for the Community to become undemocratic to the point where it has to provide itself with new powers in order to retain the same degree of democracy.

Even after the Luxembourg decisions on the future participation of Parliament and President Santer's encouraging interpretation of the outstanding questions and of the Foreign Ministers' task, the situation remains the customary one: the members of the national governments, the executive power that is, are claiming for themselves at Community level collective superiority and prerogatives as a legislative and executive power enjoying freedom from control to an extent which everyone back home, i.e. at national level, would regard as a deadly sin against the sacred principles of their own constitution and their own understanding of democracy.

It is in this light that we must judge the task and the work of the Foreign Ministers next week. It is impossible that anyone should allow the Community one day to fall apart as a result of its inherent contradictions and its lack of democracy.

Secondly: as the work of the Community increases, it becomes more and more apparent that the Council as constituted at present is no longer able to do its work. The Council method of operating as occasional meetings of specialist ministers, under pressure, who to some extent regard this as a secondary activity and as a responsibility subsidiary to their national duties, the absence of personal continuity, the permanent lack of coordination between the specialized Councils, are quite simply no longer acceptable. Not only Parliament, not only the Commission, but our citizens as well, have a right to recognize and understand that the Council is a partner in the dialogue, as the most important and most powerful organ in the Community so that we know with whom we have to deal and who really bears the responsibility. In this connection we should remember Article 20 of this House's draft treaty.

(Applause)

Mr Cohen (S). — *(NL)* Madam President, the use of the Community method, which President Delors discussed so lucidly this morning, means not only trying to keep 10 or 12 Member States together but also trying to maintain a balance. If we of the European Parliament — and I assume this is what is going to happen shortly — condemn parts of what are now known as 'the provisional conclusions of the chairman of the Intergovernmental Conference', we shall do so because we are concerned about maintaining this balance.

The resolution tabled by the Committee on Institutional Affairs says we consider that the results — which I will discuss in a moment — of the European Council meeting as a whole are unsatisfactory and that we cannot accept those relating to Parliament's powers, which is our primary concern. I personally endorse the conclusions drawn in this motion for a resolution and, as has repeatedly been said this afternoon, the majority of my group take the same view.

The results are unsatisfactory because there is no saying that the internal market will be completed by 1992, because we can hardly regard invoking Article 236 over the monetary problems as progress and because we do not believe the Council should deprive the Commission of executive powers. But the most important point — and this has to do with the common method and the balance I have mentioned — is that too little account has been taken of the need to increase the European Parliament's powers.

Once again President Delors spoke this morning about the pressure the European Parliament might bring to bear on the basis of what has been agreed so far. But I do not think we should regard this Parliament as a pressure group. When all is said and done, Parliament has been the direct expression of the will of the European people since 1979. I do not therefore think we

Cohen

can content ourselves with bringing pressure to bear from time to time.

Leaving aside the question of the conclusions the Italian Government draws as a result of this afternoon's debate — after all, we decided five months ago that this debate would take place here and now — I believe the European Parliament has no alternative but to express its disapproval of the results of the Luxembourg meeting where they concern Parliament's powers.

We hope that a solution will still be found to this problem at the Foreign Ministers' meeting next week, and many have said here this afternoon how this should be done: the three-month deadline. The first step must be — to use Mr Delors's words once again — to fill the legal vacuum and to change the Council's financial regulation. But you cannot in all conscience expect this Parliament to deliver a favourable opinion on a legal vacuum and the Council's financial regulation. That is really going too far. That aspect of the Luxembourg conclusions is unacceptable to us, and I therefore trust — and I am in fact convinced, Madam President — that this Parliament, aware of its duties and responsibilities, will adopt the resolution tabled by the Committee on Institutional Affairs, hoping, expecting and confident that in the coming days, weeks and, if necessary, months a solution will be found to the problems still outstanding.

Mrs Cassanmagnago-Cerretti (PPE). — *(IT)* Mr President of the Council, at a time when, under pressure from the European Parliament and public opinion, the governments of the Member States had an historic opportunity to revitalize the process of building Europe on a democratic basis, nearly all of them preferred to endorse a compromise which, despite assertions to the contrary, creates nothing new and, in some fields, even represents a retrograde step in relation to the Community treaties and the 1983 Stuttgart Declaration.

The opportunity of reforming the Community institutions has, in fact, been missed. The summit has contributed nothing new in terms of democratization, for the text dealing with the powers of Parliament is lacking in substance. It has brought nothing new in terms of increased effectiveness, since the 1966 'Luxembourg Compromise', which allows indiscriminate use of the power of veto, has not been abolished. The European Council's conclusions actually mark a retrograde step with regard to the powers of the Community, for example in the field of monetary integration, where all progress is made dependent on the treaty review procedure or limited to political agreements lacking legal sanctions, as in the case of the internal market.

The summit brought nothing new, either — at least by comparison to the Solemn Declaration of Stuttgart — in the field of foreign policy cooperation.

Finally, the reform of the Community's financial and budgetary system was not even considered. So much for new policies! How are they to be funded? Even the Community's permanent state of crisis, for which its lack of financial resources and disagreement between institutions are largely responsible, failed to shake certain governments out of their habitual torpor.

The only possible reaction on this occasion is deep disappointment at the governments' inability to seize this historic opportunity; the European Parliament, which was responsible for bringing the problem of revitalizing the process of European construction to the forefront of debate, has no alternative but to firmly reject the conclusions of the summit held on 2 and 3 December.

In these circumstances we must welcome the firm stance taken by the Italian government and its Foreign Minister, Mr Giulio Andreotti, who refused to accept a largely negative compromise and expressed a number of reservations, particularly with regard to the measures to make the decision-making process more democratic.

Parliament must endorse the position of the Italian government and resume the initiative by reopening the debate on the points which need to be established as a matter of priority if there is to be any prospect of seriously improving political cooperation.

Therefore our Group, too, will vote for the resolution together with the amendments proposed with a view to conciliation, since we are confident that changes might be forthcoming at the next meeting of the European Council.

Mr Linkohr (S). — *(DE)* Madam President, ladies and gentlemen, there is no doubt that Eureka electrified us — one cannot call it anything else. I cannot say what the individual reasons were. I can only assume that it was in no way due to the content. Nevertheless it is so. For that reason, it is a positive thing, and I want to say that now, so that there are no misunderstandings. I think it important for the European Parliament to be concerned about the Eureka conference in Hanover, especially in relation to the institutional debate which we are holding today, because the problem with Eureka is not technological, it is the problem of the institutional context.

To be precise, we want to know what the relationship between Eureka and the Community will be. What will be the relationship between Community research, Eureka, national and regional research? Where will the boundaries be in future? Anyone who has been involved in research policy in recent years will be able to tell me that it is already very difficult to separate national and European research from each other. How much harder will it be, when a further aspect is added to it? We would have liked the Commission to have

Linkohr

told us that, and we have become a little suspicious as well, essentially because we have obtained the information from the Press and not from the Commission.

We do not want to speak out against cooperation with industry. But I do ask myself why European industry needs Eureka, when the financing is in any case so weak? It is not already possible for firms in Europe to cooperate across frontiers? Why do they prefer to do so with American firms and not with firms in neighbouring countries? This is primarily a question which we must ask industry, as it is certainly not just a matter of additional finance.

I have just escaped from a meeting on environmental protection, which was discussing a programme submitted by the Commission and discussed a few days ago in the Research Ministers Council. I asked myself how this environmental research programme stands in relation to a programme which was adopted at the Hanover conference and which bears the fine title of 'Eurotrack' — which stands for measurement of the spread and conversion of environmentally significant trace elements in the troposphere above Europe — something very grand.

Why does this have to be done through Eureka and not within the framework of Community research, why one here and the other there? I have still not received a pragmatic answer to this question. That will be our problem in future, and the problem of participants in such programmes, because they will no longer know where to obtain information and funds.

It gets more complicated. Leaving aside the question of finance. We are always being told that the Community is too bureaucratic. That there are too many bureaucrats and that it is a terribly unwieldy apparatus. That is why it all has to be made far more efficient and put into the hands of industry. Now there is to be a Eureka secretariat under the aegis of a Eureka Council of Ministers, i.e. a repetition of what we already have in the Community, but this time with 18 States! I presume that at some point parliamentarians in those countries will ask how it is all to be controlled. Sometime we shall perhaps — as my colleague so rightly said — have a parliament as well, and then we shall want to know how it will behave towards the European Parliament.

There are two further topics which have repeatedly occupied us here. As Eureka stands, it is primarily for cooperation between large firms — I have nothing against large firms of course, I even worked in one once — but what about the small and medium enterprises? These are the ones we should help. Once upon a time we had a small firms year, when great declarations were made, which probably remained so much paper. And where is the solidarity between the rich and the poor regions where the Eureka programme is concerned? We have had much better experiences in the Community and we should support them.

We have had a debate on the application of technology. When we pursue technological policy and ignore Parliament how are we — I ask this now — going to evaluate technology in the future? Are we really going to leave it to industry, or is Parliament involving itself? That is why we have always tried hitherto to keep European research policy within the framework of the European Communities as far as possible. We are flexible enough. We have intelligent people. The President of the EC Commission is sitting in front of us, he will do it. We have full confidence. Why not within the framework of the European Communities, why this way? That is the question!

(Applause)

Mr Lambrias (PPE). — *(GR)* Madam President, colleagues, and Presidents of Council and of the European Commission, I confess to envying those who sit in this House without feeling grave concern about European Union. They have the leisure to distil the Luxembourg decisions through local, party, national, and even perhaps dogmatic filters, but certainly not European ones, and whether they complain about or deride these decisions, they do not propose specific solutions. But any who sit here because they believe in the European Ideal, because they fight for it, because they were elected with a popular mandate to contribute to the building of a unified and democratic Europe, face a hard choice here today: are they compelled — they wonder — to reject the arguments of the Summit as a whole because they fall short of their vision, or, on the contrary, should they recognize whatever positive features — few as they may be — were decided upon, so that they may continue from that point onwards their fight against the obstacles that still block Europe's progress? To put it more clearly: which of the two should we accept: that in the swamp Europe has wallowed in for some years, the small flagstones tossed in by the Luxembourg declaration have given us some hopeful mobility, or that when the surface ripples created have been absorbed by the Community's bureaucracy, the swamp will revert to its torpid state for many years more?

No doubt, both of the diametrically opposite opinions supported by those who keep faith with the European ideal are based on honest thoughts. There is no conflict about the aim, the essence of the problem, but there is disagreement about the strategy, the method to be used in solving it. Precisely from this point of view, I think it is more consistent with Parliament's principles and powers to demonstrate once more, by the moderation of its reaction and the authenticity of its judgement, the will to cooperate creatively with the Community's other two institutional bodies. From a tactical standpoint there is today more point in such a stance, strict but not negative, because this will compel Council, and the Foreign Ministers meeting within the scope of political cooperation, to show whether they too are really inspired by the same spirit of coopera-

Lambrias

tion. To show whether that is the spirit which inspires them, and to commit themselves to improving the inadequate declarations of the Summit Conference. Above all, to improve Parliament's terms of reference, which so long as they remain obscure, will cast an antidemocratic shadow upon Parliament's function.

Mrs Schmit (S). — (FR) Madam President, ladies and gentlemen, in the European Community we see a succession of presidents and speeches, which do not necessarily resemble one another. The Luxembourg presidency, for instance, has demonstrated once again that even a country of the size of the Grand Duchy can do well given the necessary intellectual and moral qualities, the experience of a European history that was especially painful but without fault or blame, and the necessary good will. A lesson which a small State — geographically speaking — should teach and teach again to some large countries, who when it is or is again their turn to assume the presidency should, proportionately, and with some irony, 'of course', 'selbstverständlich', 'évidemment' do three hundred times better!!

As a Luxembourger I would also like to congratulate my compatriots, the government team and the departments, for their efforts, both material and in terms of staff. And since some people in this illustrious Chamber allege — reminding us of the Nazi occupation and other historical troubles, which makes us feel bad — that we are only able to speak a dialect or even worse slang, I shall insist on speaking in Luxembourgish. I apologise for the difficulties this causes our interpreters, while insisting that my short sentence be included in the minutes:

'Op bescht Minette-Lëtzebuerjesch an ouni Fisemantenten: merci Jongen! an — leider nët op Rejierongsniveau ebenfals — merci Meedercher! fir all Är Aarbecht'.

Ladies and gentlemen, let me return to the beautiful language of Voltaire to tell you that I have just referred to a situation which is also Luxembourgish: Luxembourg has no women at government level. That is a black mark which proved especially black at the Nairobi Women's Conference, which Mr Poos mentioned this morning, where the minister representing the Council was a man, in his capacity of — and let me underline this — minister for the family.

Gentlemen, the women of Europe, the progressive women of Europe want politicized rather than familiarized conferences. As a socialist and internationalist I am glad to see some major successes in common extra-European policy. I recognize the fact that constraints due to circumstance and coalitions prevented much more being done for the Contadora Group, but I will not hide my disappointment at the far too hesitant approaches and far too soft decisions as regards South Africa, whose apartheid regime continues to

betray, to ridicule in words and deeds the true cultural and religious values of Europe and the Western world.

In any case this is not a question of the seat of the presidency, it is certainly not only the fault of the Luxembourg ministers. But I am still worried about the fact that under the Luxembourg presidency the European Parliament has obtained no satisfaction on the question of increasing its present meagre powers and responsibilities. In fact anyone who dares speak of democracy in Western Europe — and we all try to vie with each other in using and abusing the term — must finally recognize the exact and rightful place to be given to the legislative power. He must also recognize that any transfer of powers, even indirect, to the detriment of the national or supra-national parliaments (like our own) and to the benefit of a nationalistic, egoistic and/or technocratic, bureaucratic power is extremely prejudicial to democracy and the parliamentary system. Moreover, I regard it as extremely urgent to speed up the decision-making process of Parliament and the Commission, because any pseudo-European cover-up, such as the European passport or the green and white stamp at frontiers is nice but not effective.

As a socialist and trade unionist, looking at the opportunities and the constraints of a mixed economic system which must protect its social achievements, I want to express my great satisfaction at the fact that Luxembourg has managed to renew certain union ties. In these times of industrial, economic and sociological change, it has renewed certain ties and restored a constructive dialogue with the two sides of industry in general. This is finally a start in reversing the alarming trend on the employment market in the field of public and private investment, in unblocking the internal market and the monetary market in a more specific and positive manner. With the help of Spain and Portugal — Luxembourg certainly has the merit of having finally paved the way to their accession — I hope that the Benelux partner who takes over the presidency, that is to say the Netherlands, will manage to follow the same direction.

Mr Blumenfeld (PPE). — (DE) Madam President, we are today holding a first debate, a kind of first reading, which cannot produce any final opinion of the European Parliament. We shall wait for the Council meeting on 16 and 17 December and the clarification which it will bring, before we give a detailed opinion, particularly on the improvements to the powers of the European Parliament. Our speeches today are intended to show the Council, the Commission and the European public where we still want clarification, in order to be able to give a cooperative yes to the Council's new draft treaty.

Like so many of my colleagues, I think that the powers which are being given to the European Parliament are inadequate. They are the first steps towards parliamentary-democratic legitimation of the European

Blumenfeld

Community legislature. I should like to thank particularly President Santer and President Delors for the courageous and forward-looking words which they addressed to us this morning. The clarification which we hope the Council will provide concentrates on the co-determination procedure under Article 149 and on a revision clause which is to contain an undertaking, not just as with the EPC but overall, before 1992 at the latest to introduce procedure to amend the treaties, encompassing all the treaty powers of the European Community.

One last word on the new EPC procedure. For me the important thing is that cooperation on external affairs between European governments will become a legal obligation. Should this become reality, the national parliaments would cease to have any influence over European foreign policy, but there is no provision for the European Parliament to be involved more intensively than hitherto. That, President of the Council, is unsatisfactory — I told you so at the discussions yesterday — and the Foreign Ministers will have to move on the 16 and 17 of this month if they want us to consent. You, the ministers, are not in charge of the procedure. That is safely in the hands of national officials in the governments of the countries of the European Communities.

Mr Rogalla (S). — (DE) Madam President, according to the tradition of this house, at the end of the day we are supposed to be concerned with ordinary people. But we have to realize that something fell off the tree in Luxembourg. It was the fruits of our labours, and we did not use enough fertilizer. We should not be surprised, therefore, if we do not like the taste of the fruit, if I, if our citizens, do not like the taste. Too little is said about them in this Parliament anyway, and we are not the only parliament to have problems with its powers *vis-à-vis* government or the Commission.

We have to make one thing clear today: in this battle for improved rights for our citizens we need not rely on anyone but ourselves. We still do not have the right allies. Otherwise how could we fail to have public representation? Otherwise how could the basic concepts of 'Community means peace', 'The internal market cuts costs and guarantees jobs', 'The consumer benefits from uniform taxes and uniform currency and uniform stamps' remain obscure? Our tree would not be in the shade then. How is it possible for a newspaper to report as an indication of success the fact that in future small parcels for abroad may weigh up to 2 kg. How is it possible that forms are still needed for television cameras to cross frontiers, that bicycles cannot be taken over the border without forms? We have still not succeeded in levelling interests, and we have a lot to do before we can meet consumers as men of peace. President Delors spoke of a *coup d'état* this morning. Why not a *coup d'état* for peace?

President. — Ladies and gentlemen, would you please take your places, as I have something to put to you

that will need to be given careful thought. We voted that the debate should not be broken off before its conclusion. The list of speakers is not yet closed and we still have to give the floor to the Commission and the Council. We may reckon that this will bring us up to 7.30 p.m., the time at which we planned to start with the vote. There are 60 amendments. No one can say exactly when we will get finished with these, and then on top of that we will have the explanations of vote. Together with the staff, we tried to thrash out what would be done. There were 59 official meetings today and there is to be a budget meeting this evening, so all that makes a night sitting out of the question. The best that we could do was to agree to carry on with our work until 9 p.m.

The proposal I would make to the House therefore is that we finish the debate, take the vote and then begin with Question Time, finishing at 9 p.m.

Does the House agree to this proposal?

(Parliament agreed to the President's proposal)

We shall proceed therefore with the debate.

Mr Clinton (PPE). — Madam President, a great opportunity was lost at the European Council in Luxembourg. The 14 million unemployed are the greatest manifestation we have of the stagnation of Europe and the greatest testimony to the inadequacy of the decision-making machinery. There are no measurable definitions of anything that has come through from the Intergovernmental Conference and no legal time limits. As Chancellor Kohl asked, are we going to allow the speed of the convoy to be determined by the speed of the slowest ship? Are we going to allow the advice given by the German President in this House about the necessary powers for the European Parliament to be ignored? And are we going to lose the opportunity given us by the Italian Prime Minister and Foreign Minister of passing the final judgment on these inadequate decisions? These are the matters we must ponder seriously here.

It is clear that with these proposals the Community will fall further behind the USA and Japan in economic performance. Our 14 million unemployed people will not have received any message of hope from the deliberations of our leaders in Luxembourg. We have been given crumbs which are totally insufficient to produce the sort of vitality and growth we are looking for and that we need so badly. How can the Community grow on such small-minded selfishness? Some Member States are clearly reluctant to concede anything of value to the Community institutions other than the Council. National parliaments have effectively lost certain responsibilities, but the European Parliament has not been given the powers to enable it to take over these responsibilities. Thus a democratic and political vacuum exists. This is not being filled;

Clinton

instead, these powers have been held within the grasp of the Council.

It is clear that unless the European Parliament is given substantial additional powers, we will soon reach the point where the electorate in Europe will refuse to come out and vote. The ordinary people of Europe are not fools. They want a Parliament that is capable of making a significant impact on the problems afflicting the Community at the present time. We will have to continue the fight and use all the ammunition at our disposal until Parliament gets the sort of power it needs and without which it will remain almost ineffective.

One could become despondent at the feeble steps that are now being proposed, especially in the light of the work carried out on Parliament's draft treaty and the work of the Dooge and Adonnino committees which gave rise to new hopes for the future. I am not concerned about the reams of paper explanations coming through in carefully couched and long-winded reports. I am seriously concerned at the lack of action likely to result from the intergovernmental conference. One Member State in particular seems to be refusing to go an inch further than the existing treaties. This position is simply untenable. Every Member State has formally agreed to lay the foundations of an even closer union among the peoples of Europe. Member States which refuse to move forward are clearly out of line with the existing treaties.

Mr Formigoni (PPE) *Chairman of the Committee on Political Affairs.* — (IT) Madam President, I shall need only a few minutes of your time to express my deep disappointment at the outcome of the European Council, a disappointment which is all the greater in view of the hopes raised by the summoning of the Intergovernmental Conference in Milan.

Ladies and gentlemen, I believe that we must be brutally frank. No significant progress has been achieved in relation to any of the topics under discussion.

I thank the Italian government for the courageous and far-sighted stand they have taken, and I believe that it would be fitting for the governments to consider the Intergovernmental Conference as not closed; should that prove impossible, I believe that they should summon another conference at once for an agreed date between now and 1987, as a final indication that they have no intention of burying all our hopes for Europe.

One thing is clear: the real Europe is becoming increasingly remote from the Europe that exists in law. Never before, perhaps, have Europe's ruling classes — not just its political leaders — shown themselves so lacking in drive, initiative, and that ability to take creative risks which is the essential characteristic of all those who aspire to mould history rather than resign themselves to it.

The peoples of Europe, and the great majority of its citizens, are in favour of European unity, and I am convinced that Parliament must find the means of enabling the will of the people to be expressed, if necessary through a referendum.

Ladies and gentlemen, I believe that the governments of Europe must know that we will continue to believe in the vital and strategic importance of European unity established on a basis of dialogue and cooperation between its constituent cultures and peoples. All must realize that we, side by side with the people of Europe, will continue the battle to achieve the unity we were elected to seek, and to which we are determined to devote a great part of our energies.

(Applause)

Mr Herman (PPE). — (FR) Madam President, honourable Members, the Community menagerie, which already contained a wealth of species, with the monetary snake, the kangaroo and crocodile, was joined a week ago by a new animal: the mouse born of the Kirchberg mountain. It really is a curious mouse that has been presented to the European Parliament, a variable geometry mouse. It could turn into a lion. The mouse that roars, as in the famous film, but presented before the Danish or British Parliament, it becomes a miserable shrew.

Mrs Thatcher and Mr Schlüter said before their parliaments: this makes no difference, don't worry, don't lose any sleep, we are not losing any powers, there is no change.

Here, on the other hand, it is viewed either as a new Messina or as a new departure towards a glorious European future.

Well, such a difference of interpretation is evidence enough of poor drafting. May I also refer to what happened in the Danish Parliament where Reuters report that the greatest confusion reigned because no one knew what the texts meant.

That shows you where we stand now. But what really bothers me about the Luxembourg agreement is what was deliberately kept out of it. The Commission, the Netherlands, Belgium and the presidency made very good proposals. They were all rejected although none of them was revolutionary. And tomorrow, when we will have to interpret such an ambiguous text, the preparatory work will serve as the basis for its interpretation, and then we will see what is left of it.

Now may I turn to the President of the Council. There remains one way to save the day: to fill in what was left open in the Council's regulation. If you could have it established in the Council regulation that henceforth there would be a time limit for voting on the Commission's proposals and if you could request

Herman

that either the Commission or one or two Member States could call for the vote, as was proposed, you would already have repaired a great deal of damage.

(Applause from the centre)

Mr von Wogau (PPE). — *(DE)* Madam President, ladies and gentlemen, if one measures the Luxembourg achievement against Parliament's demands for realization of European Union, there is no doubt that they are unsatisfactory. But if one looks at them from the viewpoint of our common objective, the realization of the internal market and free circulation within the European Community, then one has to admit that they could signify a step forward.

In future the package of measures to realize the internal market is in fact to be decided substantially by a qualified majority. That will mean that there will be a first reading which will differ from the present situation in that the Council will decide by a qualified majority, and a second reading at which the Council may only unanimously diverge from an opinion of the European Parliament if it is accepted by the Commission. There is no doubt that this is the weakest part of the text.

We assume however that in view of the possible consequences the Commission — and I am addressing this to the President of the Commission — would have to consider very carefully before it diverged from an opinion of an absolute majority of the members of the directly elected European Parliament.

Subject to that proviso, Parliament is given a negotiating position which in this sector can mean access to legislative powers and substantially improves the chance of Europe achieving open internal frontiers by 1992. The major defect of these proposals is to be seen, however, in the fact firstly, that the tax sector, which is extremely important, is excluded from the new procedure and, in particular that personal checks — citizens' Europe — are not considered here. If then, despite the positive aspects which I have specifically mentioned here, my group rejects the proposals as they stand today, it does so as a challenge to the Foreign Ministers in Luxembourg to make the necessary procedural clarifications, and to make it clear that Parliament is not prepared to forego further steps in the realization of European union.

IN THE CHAIR: MR PFLIMLIN

President

Mr Poos, President-in Office of the Council. — *(FR)* Mr President, as I have already taxed your patience with the report on the six months of the Luxem-

bourg presidency, I will try to be very brief in my replies to the questions that have been put to the President of the Council, both to those on matters relating to the Intergovernmental Conference and to those on matters relating to the current Treaty establishing the European Economic Community.

A great many Members spoke after the President-in-Office of the European Council first replied to Members speaking for the various political groups. The various speakers who evaluated the results of the European Council in Luxembourg ranged in their statements from unconditional rejection of the overall package to regarding the overall package as inadequate, yet as a positive step in the right direction.

To those who advocate total rejection of the package, may I simply say that such an act by Parliament would not open the way to its renegotiation. It would not be the beginning of a European revival but herald the beginning of a serious stagnation in Community affairs.

Of the formulas put forward for describing the result of the European Council — compromise for progress: François Mitterand; dynamic compromise: the President of the Commission, I still prefer the formula the President of the Commission used this morning; a compromise of the possible. For from the outset the strategy of the Luxembourg presidency was joint progress by the Twelve together. We have just created a Community of Twelve and the 12 countries must remain grouped together and progress together.

The second aspect of the Luxembourg strategy is the search for the best possible result. What we endeavoured to do on all the points which were the subject of the negotiation was to make the overall compromise acceptable to all the governments of the Twelve and to enable the 12 national parliaments to ratify the result.

Some Members are reproaching the Council for having taken decisions which they hope will prove just acceptable to the Danish Parliament. Instead, these Members would like the European Council to modify its decisions along lines which would certainly make the Danish Parliament reject them. I ask them whether they really want our Community to remain a Community of Twelve or whether they in fact want a Community of Eleven, or Ten, or Nine. In other words, I think the mandate the European Council gave to the Foreign Ministers was not to renegotiate the Luxembourg 'package'. They are welcome to make it more precise, to supplement it, but they cannot reopen the discussion on the actual content. I also think that those Members, of whom there were many, who described the Council's result as a step forward are right. We have not deviated from the right road. We have kept to our course and we will continue to make further progress if the wind is favourable.

Poos

I come now to some important remarks made on subjects covered during the six months of Luxembourg presidency.

First, the economy. Some Members have accused me of having underestimated the crisis or not taken action to combat unemployment. I do not agree with those who think the crisis is over, but in recent months we have seen a definite improvement in the inflation rates and growth rates in the Member States and in the balances of payment and public finances. We have achieved greater cohesion between the Member States' economies. The proof of that is the stability of the European Monetary System over the past few years. Moreover, and this is important, we have achieved a *rapprochement* between the two sides of industry and this is the first time that the Commission's annual report, which advocates a cooperative strategy to achieve a better, a more creative growth of employment, has met with the agreement of the two sides of industry.

Few speakers discussed matters relating to European cooperation in foreign policy. To those Members who regretted a European initiative or regretted the fact that no European initiative was taken before or after the Geneva summit, I would say that a large number of the declarations on European political cooperation appealed to the two super-powers to establish a genuine dialogue and make progress on the road to disarmament. I can assure you, ladies and gentlemen, that the search for peace will remain a priority, the first priority, of our foreign policy cooperation programme.

Some of the Members of your Parliament spoke of the inaction or paralysis of the Community institutions. I think those who used such terms were being unjust, for I spent a whole hour, and I apologise once again for the length of my statement, listing the major decisions which are the proof of the functioning of our Community institutions. They will function even better if you adopt the improvements, modest as they are, which the European Council of Luxembourg decided to make to the European Treaties, winding up the Intergovernmental Conference.

Lastly, and as my general conclusion, may I thank all the speakers who took part in the debate and all those who took a positive view of the trend of Community affairs and the active presence of Europe in the world over the past six months.

(Applause)

Mr Delors, President of the Commission. — *(FR)* Mr President, ladies and gentlemen, honourable Members, I do not want to delay a very important vote. I think I can say, on behalf of the Commission, that we have witnessed a debate of a very high standard, that does honour to the European Parliament. I personally

hope this debate will be an opportunity for dialogue between the Council and Parliament.

Nothing, or hardly anything excessive was said. I think we must regard today as a step forward towards a greater credibility for the European Parliament. This would have been even more evident if more Members had actually been present throughout the sitting.

For the rest, briefly, and even if it sounds artificial, I think you will have to distinguish between the substance and the institutional question when you come to vote. Progress has been made on the substance, but nothing is established yet. Let me ask you a question: how, in Europe as it stands today, in a Europe of Twelve, can you be sure that by modifying the Treaty you will automatically get the results you expect? No one can guarantee that.

As for what was said about the internal market, following the practical work of the conference which I described this morning — I am thinking in particular of what Mr Beumer and Mr Cohen said — I think that it can be done, but we must be under no illusion. That is why in two years time the Commission may very well be asking a new intergovernmental conference to verify that it is impossible to make progress. As far as economic and social cohesion are concerned — and I would reiterate this very strongly — they are inseparable from the large market. Ladies and gentlemen, you have the legal instrument you need to assert the ideas close to your heart and which would represent considerable progress, for as a whole and notwithstanding the differences of view and position, the European Parliament has always said that economic and social cohesion did not depend only on budgetary transfers but also on a dynamic form of economic integration and the spread of progress. You have the means to do this.

On the monetary question, we need a debate, and I call on you to hold this debate, for what Mr Spinelli said this morning was absolutely unjust and unrealistic. If he had been there at the battle he would not have said it. As for technology, I have the same questions as you. I shall say no more. Mr Mallet and Mr Linkohr, for example, spoke the truth.

There remain the institutional questions, and you put two to the Commission. So I shall deal with them.

Firstly, would the Commission, in its proverbial naivety, have let go of some of its executive powers? It would not. On the basis of the existing Article 155, and that is my first remark, the Council can always reserve itself the right to take executive measures, and it often does so in practice. Under the new Article 145, the allocation of executive powers to the Commission becomes the rule. It is only in exceptional cases that the Council will be able to reserve to itself the right to lay down the necessary arrangements for execution.

Delors

So there is progress and I want to reassure those of you who feared for the Commission in this area.

The second question I was asked: it is not a good idea for the Commission to stand aside at the second reading to make it easier for the Council and Parliament to reach a compromise? Frankly, no, and for two reasons. First of all, the Commission has the right of initiative and can therefore always come back and revamp its proposal to ensure that a text is adopted. May I remind you that on 7 January I suggested sharing this right of initiative with you on subjects jointly agreed with Parliament. I am still waiting. Secondly, Parliament can overthrow the Commission. For example, if we only take four out of six amendments you make to a text, we point out to the Council that you have tabled two more but that we are not in favour of them, but that is our duty. If you are not satisfied, you will say so to the Commission and you can censure it. That is in the Treaty of Rome. So you cannot ask us to stand aside.

Finally, on time limits, the Intergovernmental Conference undertook to ensure that the time limits applied as much to the Council as to Parliament. The Rules of Procedure will have to be amended so that the Council is forced to decide at the first reading, at the initiative either of the presidency or of the Commission or of three Member States. That was agreed at the Milan Council. These were the further points I wanted to make. For the rest, I stand by what I said this morning: the quality of the debate this afternoon must make it possible for us to find a solution which will reward Parliament's efforts to argue with rigour and yet in a dynamic and open spirit.

(Applause)

President. — I thank the President of the Commission for his speech, but I thank him above all for the support he has given to Parliament during the intergovernmental conference and at the deliberations of the European Council. I feel that I should stress that very particularly.

(Applause)

The debate is closed.

6. VOTES

President. — We begin with the vote on the request for an early vote on the four motions for resolutions tabled to wind up the debate on oral question Doc. B 2-1264/85.

(Parliament agreed to the request)

The vote on these motions for resolutions will be taken tomorrow at 7 p.m.

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Motion for a resolution (B 2-1283/85) by Mr Spinelli and others, on behalf of the Committee on Institutional Affairs, and Mr Barzanti and others, following the debate on the statements by the Council and the Commission after the meeting of the European Council on 2 and 3 December in Luxembourg

Explanations of vote

Mr Sutra de Germa (S). — *(FR)* Mr President, honourable Members, a compromise text does not aim to totally satisfy anybody. However, it is also important that no one should be totally dissatisfied.

It is a text which without doubt brings us together at the price of several ambiguities. The explanations of vote on this text must, therefore, be of the utmost clarity. I am very happy that my group has asked me to present an articulate, constructive position on its behalf and I think we have managed to produce something that is lucid.

Firstly, in no case can the motion for a resolution by the Committee on Institutional Affairs be used as a mandate for rejecting the agreements of the Luxembourg European Council. In no case can this vote be used to block procedures that have already been initiated. Secondly, it is equally clear that we are voting on a text which underlines the weaknesses and inadequacies of the agreement reached in the European Council. Thirdly, in focusing our most specific criticism on the question of the powers of the European Parliament, we are perfectly aware that we have taken a step towards the European Council. For the Council itself formally acknowledged that there was a legal loophole, which it has specifically requested the Foreign Ministers to fill. We have moved towards the Council, we have gone to meet it in order to create a better understanding between the Community institutions and to pave the way to this advance.

Lastly, it is apparent that the last compromise amendment — accepted by our chairman, proposed by him and embodying Sir Jack Stewart-Clark's reference to the Council of Ministers of 16 December — makes these matters even clearer. The very large and near unanimous vote we expect from this Parliament proves what a reasonable motion for a resolution this is; it aims at advances, but certainly not at any break in the procedure initiated by the European Council of Luxembourg.

Mr Klepsch (PPE). — *(DE)* Mr President, I wish to make the following declaration on behalf of my

Klepsch

group: we are aware that we are making a compromise for a broad majority of the House and one which naturally contains different opinions, but which expresses the will of the House to deliver a common opinion in view of the forthcoming Foreign Ministers conference on 16 and 17 December. Regardless of how this is expressed in the text which has just been adopted, we are reserving our final vote until we have evaluated the results achieved by the Foreign Ministers conference. We shall therefore give our final opinion in January.

We believe that the work so far provides a starting point for the further development of the Community, and, as we said in the discussions today, we are in favour of using every opportunity to develop the Community further. We are also aware, however, that political expediency and objective necessity extend a considerable way beyond what was decided at the summit. In my group's view, it is our responsibility, as the representative of the citizens of the European Community to make it clear that we want the Community to move forwards and that this Parliament will take the relevant decisions.

We know that at this summit results were achieved of course, but we also know that they are subject to criticism and that in the final analysis it is our duty to act in relation to the Community. For this reason my group has agreed to support this text unanimously.

Mrs Veil (L). — (FR) Mr President, my group will vote for the motion for a resolution on which we have to decide.

At the close of the Intergovernmental Conference, or rather of the European Council of Luxembourg, we have mitigated feelings. I would say they are mitigated because we did not have much hope of the results. In view of the activities of the last few days, we feared that nothing would come out of this European Council. Yet, in the end, the European Council did produce a text, even if it does not satisfy us. One of the reasons why this text does not satisfy us is that it contains a great deal of ambiguity, a great deal of confusion. We feel that very often this ambiguity was deliberate, that the Members of the European Council wanted it, each of them hoping to find in these vague terms what he hoped to find, i.e. in some cases more, in some less.

Today, in this motion for a resolution, the compromise the groups hoped to find was one that offered the possibility of achieving more clarity and of our being able to say on a number of quite specific points what the European Parliament wants, what it wishes, as regards its own powers and, equally important, the Commission's powers — which, we fear, looking at some rather vague formulations, have been reduced — and, lastly, as regards the method of decision-making in the Council. These are the three aspects we consider important and regarding which we do not really know

what the European Council wanted. The European Parliament, for its part, has very definite views on what is needed for the European Community to make progress.

We hope the Council wants to go in the same direction and that any assurances that may be given or progress that may be made in the coming weeks will make it possible to implement this compromise that was reached within the European Parliament. We hope this is a good omen for the possibility of a compromise between the various institutions.

(Applause from the centre and right)

Mr Musso (RDE). — (FR) I am speaking on behalf of those members of my group who will not vote for this text and I will tell you why. We will not vote for it because we are realists — we want a realistic Europe — and we do not want to wait for the next Council meeting to tell us: 'Gentlemen, if you are not satisfied with the proposals we made, well, you will have nothing now'. That is the first reason.

The second reason is that I notice that everyone is saying: 'we are going to vote for this compromise text, but it is a bad text'. If it is bad, why vote for it?

The third reason is that I am very disappointed at the way a compromise text, tabled after the deadline, an oral compromise text which has been cut, butchered and rehashed, is being presented to us. And after all that people pretend to the Council that they are being serious.

(Applause from the Group of the European Democratic Alliance)

Mr Christensen (ARC). — (DA) I vote against this motion for a resolution because its purpose is to promote European union, which only 3% of Danes are in favour of. I vote against it because the particular concern of the majority in Parliament is to grab power for itself at the expense of the Member States and the other Community institutions. This has been rejected in the Danish Folketing by a large majority. When I vote against it, I have fresh in my memory the total confusion which marked the discussion of the matter in the Committee on Institutional Affairs. No motion for an amendment was available in more than one language. Many members evidently did not realize what was going on around them, and the interpreters stopped working. The meeting ended in chaos and without reaching any conclusion. That is the Parliament to which legislative power is to be given. God help us all! The Danish Folketing will soon be taking a decision on the outcome of the Luxembourg summit. We must assume that the Folketing will stick to its past policy and will consequently reject the new Luxembourg Compromise, which is the exact opposite of the

Christensen

first Luxembourg Compromise. We must assume that parties which represent a large majority in the Folketing will insist that the Danish people be consulted by a referendum, if the Community is to have new tasks to perform. And that the constitution of our country be observed to the letter.

Mrs Hammerich (ARC). — (DA) Mr President, one of my many personal reasons for voting against the Spinelli resolutions is the treaty on a common foreign and security policy, in particular Article 8 which, in its obscure way, allows for the establishment of common arms production. The aim of EPC is to enable the Community to speak with one voice. Some supporters of a common foreign and security policy say that it may contribute to peace, but I cannot see how our foreign and security policy can be peaceful if it means joining together with countries which, for example, have a nuclear strike capability and which carry out atomic tests in their colonies, which are in fact other people's homelands.

Mr Cryer (S). — Mr President, I shall be voting against this report because the reasons have not changed, the Common Market has not changed. There were promises of jobs for people in 1973 because they said there was a great big burgeoning market. There were promises in the referendum in 1975 when the bosses' campaign was based on jobs for the boys. Now, when there are fifteen million people unemployed and the Common Market cannot do anything about it, we are being told that if we just get that internal market going, there will be many jobs just around the corner. It's an illusion: this place peddles illusions and I am not going to be part of the great illusion that it peddles. The fact of the matter is that the Common Market cannot cope with the problem of unemployment, and the creation of a huge internal market will create many more problems than it will solve. It will not of necessity solve the problem of unemployment. After all, the Japanese seem to do extremely well, and yet they do not have a big internal market. I think that this proposal is as otiose, old-fashioned and useless as its precursors. I shall vote against it.

We may disagree with the Council of Ministers. But they are the elected representatives of their countries. They are democratically elected representatives. We may dislike them, but they are accountable to their national parliaments. Countries can work together as equals, not in subjection to an appointed bureaucracy and certainly not subject to this place which cannot manage its own affairs very well, let alone taking over those of the Member States.

Mrs Tove Nielsen (L). — (DA) Mr President, when I chose, as a Danish Liberal Member, to vote in favour of this motion for a resolution, I did so for a number of reasons. To begin with, I think it very important to

honour the programme on the basis of which we stood for election and to remember what we were elected for between elections. Venstre, the Danish Liberal Party, on whose platform I was elected, is an outspokenly pro-European party, and I am happy to say that I have not succumbed to the views of the majority in the Folketing. Thank God, I am free to maintain my own liberal position, and I will continue to work and fight for it. Indeed, if I were to follow the Folketing majority in the present situation, I would have no position at all. I very much regret that Parliament must get the impression that the Danish Folketing is opposed to the developments taking place. I know very well what is happening and who is playing games with policy on Europe in the Folketing. I think it is disgraceful.

I have another reason for voting in favour. It is that I still think we should be true to the task we took on — and which we took on in common with the main opposition party in Denmark, the Social Democrats — when we were elected. We were then agreed — and it is down in black and white — that we should work for increasingly closer cooperation.

I should like to conclude by saying that of course I realize that every jot and comma of the resolution cannot be brought to practical fruition. But I think that we members of this directly elected Parliament should be taken seriously. The voters cannot take us seriously, if we do not do what we say both before and between elections.

Mr Bøgh (ARC). — (DA) Mr President, the Danish Members of Parliament have been presented with two completely irreconcilable interpretations of the consequences of the summit meeting. This morning we received copies of the grand speech which the Danish Foreign Minister gave yesterday in the Folketing. According to it, union-shy Denmark had in essence got its way in Luxembourg, and it is we who were the victors. The word union does not appear in the final document, it is said, and the right of veto was not discussed at all. The only question which has not yet been clarified, according to these sources, is that of the rights of the European Parliament, but it is clearly to be settled with all due regard to Denmark's views on the matter. We then heard Commission President, Mr Delors, and got a completely different picture of the facts. Contradictory views on all points. It became apparent that, broadly speaking, there was no question of the union process having been brought to a halt by the Danes. We had won through to what Mr Delors called *the possible Europe*. He prophesied that there would be a new intergovernmental conference in one or two years' time, at which the union people would get their way. Which of the two versions is the true one? It is Mr Delors who gives the most authentic presentation of the text, and all that our Foreign Minister has really achieved is that the words union and right of veto, which are charged with meaning in Denmark, are not used in the final document. Otherwise, it will

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be seen that the concessions to the Danes lie essentially in the rhetorical field and not in the legal field, i.e. the Danish people have been completely misled on these matters. I vote against the motion.

Mr I. Friedrich (PPE). — *(DE)* I shall vote for this motion with the utmost conviction.

I expect there to be a roll-call vote, and like my group chairman, Egon Klepsch, I expect the final opinion after the Foreign Ministers conference. That means that the ministerial conference on 16 and 17 December bears a heavy responsibility.

(Applause)

The ministers still have to take a step in our direction, if this work is to be a success. Parliament has shown that it has the capacity to compromise, that it is Community-minded, and that it is politically astute. It is ready for real cooperation and real co-determination in the European legislative process.

The new world structure — Japan has 160 million inhabitants — needs a new kind of assertion for us Europeans. In the long term even Denmark can guarantee its individuality, its originality, only through a united Europe.

Today is not just an appeal to the European public, to the parties, governments and parliaments of the Member States, it is a caesura and a message. The European Parliament — I am speaking to you Mr Arndt — has today stopped, as Willy Brandt once said, being a pack of swindlers. We are not a pack of swindlers!

If the Socialists — and I am glad that it is so — have become so European today we are grateful for the fact, but I appeal to you: help us make sure that the clocks in Denmark are showing the proper time. That is your duty. Let us use the opportunity! Let's give the train a push, it's on the right line! Let us march in the right direction!

(Applause)

Mr Alavanos (COM). — *(GR)* The Greek Communist Party regards the stance of the Greek Government, which agreed with the Luxembourg decisions, as an unconditional surrender of national sovereignty and tradition to the Community's directorate. It is natural that this judgment of ours applies even more strongly to the attitude of the European Parliament, which criticizes the Luxembourg decision from a more advanced, supra-national point of view.

In our opinion there is a great deal of self-interest in the proposal by the Committee on Institutional Affairs. In paragraph 2(e) the preliminary draft motion for a resolution states: 'The legislative power that the

national parliament have transferred to the Community is kept in the hands of Council alone'. That is what interests the European Parliament. Who will get the biggest slice of the cake? From this standpoint, we think that all that has been said about democratization due to a strengthening of the European Parliament's role is completely invalid.

What kind of a democracy is it that accepts and supports the Luxembourg decision on the militarization of the EEC just a few days after the Reagan-Gorbachev meeting?

What kind of democracy can accept the essential restriction of the veto, which is a vital means of defence for Member States such as Greece?

What kind of democracy can accept a whole range of restrictions and commitments in the exercise of foreign policy?

In our opinion, democracy in international relations emerges from respect for national independence, from equality, from mutual interests, from the refusal of any kind of hegemony, even if the latter adopts the guise of supra-national integration.

With this in mind, the members of the Greek Communist Party will vote against the Spinelli proposal.

Mr Bonde (ARC). — *(DA)* Mr President, when we compare the Danish Foreign Minister's assessment of the treaty proposal of the Intergovernmental Conference with that of the President-in-Office of the Council today, we could well believe that they had not attended the same meetings or were not dealing with the same texts. I am opposed to the proposal of the Intergovernmental Conference, because the right of veto enshrined in the Treaty is removed in a number of areas by the change-over from unanimity to majority voting, because the right of veto under the Luxembourg Compromise is not assured in the texts presented, because European cooperation is to be widened to include all political matters — apart from church affairs perhaps, because foreign and security policy is embodied in a treaty which cuts Denmark off from Nordic cooperation, which most Danish voters prefer, and because the proposals as a whole open the way for the Community to be transformed into an actual union.

Mr De Gucht (L). — *(NL)* I put a very direct question to the President of the Commission. I asked him if the Commission would be prepared to accept Parliament's amendments at the second reading, and the answer was a very clear 'no'. It is therefore obvious that, unless the Council of Ministers agrees with us in Luxembourg on 16 and 17 December, the Commission will retain this right. What the Commission must realize is that an answer like Lord Cockfield's yesterday,

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in which he said with typically British phlegm that he was not prepared to accept a single amendment proposed by Parliament, will immediately lead to a vote of censure should it come to a second reading.

Mr Spinelli (COM). — *(IT)* Mr President, I wish to reassure those who were somewhat surprised by the agreement we reached with the Group of the European People's Party and to explain to them that the agreement we have concluded has enabled us to achieve a greater degree of consensus, on the basis of which we have confirmed that we do not approve the outcome of the European Council and that, in view of the Council meeting to be held on 16 and 17 December, we reserve our final position. In other words, we are asking for the matter to be referred to us again to enable us to give our final verdict on the results achieved. We have thereby strengthened, not weakened, Parliament's position, by saying in effect: we are not passing a negative judgment on you, but will wait and see what you come up with on 16 and 17 December. That is why I gave my consent — and saw that everyone else agreed too. So do not be concerned, for we have not surrendered but increased Parliament's authority.

(Applause)

Mr Chiusano (PPE), in writing. — *(IT)* I declare my intention of voting in favour of the proposal for a resolution tabled by the Committee on Institutional Affairs as the only possible opportunity of achieving a broad consensus within our Parliament on its position with regard to the conclusions of the Luxembourg summit, although the proposal does not go as far as I should wish to express the more marked and generalized dissatisfaction which the Luxembourg conclusions deserve.

I believe, however, that in the interests of European integration and the role that our Parliament should play, our first priority above all other considerations must be to reach a position based on broad consensus. For the only effective power enjoyed by Parliament at present is that of constituting the most legitimate expression of the will of the peoples of Europe to recognize certain shared objectives and to make progress towards achieving them together.

Mr Di Bartolomei (L), in writing. — *(IT)* I, like all the members of my group, shall vote in favour of the resolution on the Luxembourg summit tabled by the Committee on Institutional Affairs.

Our Parliament has been almost unanimous in declaring the conclusions of the European Council unsatisfactory, not only with regard to the powers of the European Parliament, which remain substantially unchanged, but also — and more particularly — with regard to the provisions concerning the celebrated

'internal market' so dear to the hearts of President Delors and the members of the Kangaroo Club, who have tabled a 'rival' resolution to that of the Committee on Institutional Affairs.

Altiero Spinelli clearly explained this morning that, in the absence of a definite legal obligation on the Council to take in practice the majority decisions provided for in the Treaty (whether the old one or the new), even the 'minimalist' internal market aimed at will still be nothing more than a pipe-dream not only in 1992, but perhaps until beyond the year 2000.

If the Council wishes to amend its internal procedures in this area, as President Delors says, let it do so explicitly at its next meeting, in which case it will encounter a very different reception in this place next month.

If it fails to do so, it should understand that Parliament has no intention of allowing the wool to be pulled over its eyes, either with regard to majority voting or on the subject of its own powers.

The much-trumpeted 'new Article 149' the Council has offered us in this connection is merely a crude copy of the provisions already contained in the existing Treaty. If the changes proposed in this area by the Committee on Institutional Affairs are not made, the problem of the European Parliament's powers will also remain unsolved.

The 'Luxembourg Compromise-Mark II' which the Council is offering us now is therefore unacceptable in its present form, and must be changed.

In this respect there is no contradiction between the objectives of the Crocodile Club, whose members want a full-scale political Community, and the Kangaroo Club, who want to complete the internal market; if the 'institutional question' is not resolved we shall have neither, and our dignity as Members of a Parliament directly elected by the citizens of Europe therefore compels us to reject the Council's proposals as they are formulated at present.

Mr Ercini (PPE), in writing. — *(IT)* I shall vote for the resolution tabled by the Committee on Institutional Affairs, albeit without much enthusiasm. I consider the conclusions of the Luxembourg Summit unacceptable both in substance and from the institutional point of view.

These conclusions have brought no significant progress; on the contrary, they represent a backward step in the process of building Europe and placing it at the centre of the world stage.

Mr Gawronski (L), in writing. — *(IT)* This morning we heard the President of the Council and the President of the Commission state that the Luxembourg

Gawronski

Summit has enabled the Community to conquer its paralysis and has guaranteed the European Parliament new and extensive powers. We all know that this is not so.

We have known for some time that the Luxembourg summit would not take us any further down the path to European Union, which is not the pipe-dream of a few misguided federalists but a practical and urgent requirement for today's Europe.

Since, even today, the Council still, unfortunately, has the last word, the European Parliament was — and is — aware of the need to compromise. Not with the best will in the world, however, can the Luxembourg decisions be regarded as a compromise. We can accept that the Council does not intend to recognize the role of Parliament, and that the Commission sides with the Council. But we cannot stomach being told that Parliament obtained what it wanted at Luxembourg.

Nevertheless, the Committee on Institutional Affairs has reacted once again in a moderate and constructive spirit. The resolution before us includes concrete proposals to amend the decisions taken in Luxembourg. These changes, though limited in scope, are nevertheless essential if the cooperation procedure between institutions is not to remain a dead letter. These are proposals which the Foreign Ministers can — and must — endorse at their meeting of 16 and 17 December.

I realise that not all Members can fully subscribe to every paragraph of the resolution. But I ask everyone to support it because this will, perhaps, be our last opportunity to assert our rights.

Mr Colocotronis (S), in writing. — (GR) Grandiose schemes and impressive declarations do not create the preconditions for Europe to achieve progress. The great majority want Europe to be economically and politically self-sufficient, able to solve her own problems (unemployment, development, etc.), and to play her part on the international scene. These aims will be achieved when we formulate realistic policies, when day by day we create a viable Europe. That, I think, was the reasoning which prevailed at Luxembourg, and judging the matter from that point of view we say that progress has been made towards the unification of Europe. The most important point of all is that convergence of the economies has assumed a special position in the Common Market Treaty. This is vital because the economic and social cohesion of the EEC countries is the basis for unity. It is also important that the right of Member States to exercise the veto still applies when their vital interests are at stake.

I think it necessary to formulate structural policies which will enable the economically weakest countries to enter the wider market. I also think that the reservations expressed by Italy, Greece and Ireland concern-

ing the decision about a special majority for the taking of decisions relating to action by the Funds, are entirely justified and contingent upon the facts. That is because their desire that the resources of the structural Funds should be increased expresses a necessary prerequisite for any correct policy towards such countries, mainly in the South.

I thought it necessary to make the above comments as a justification of my vote in favour of the Spinelli resolution.

Mr Luster (PPE), in writing. — (DE) The reform of the European Community has begun at Luxembourg. We are grateful for that. But political expediency and objective necessity go beyond what has been achieved so far.

A certain amount of progress has been achieved as regards the question of co-determination for the European Parliament, but there is still a long way to go. It remains unthinkable for the governments of the Member States to continue to deny the European legislature the parliamentary democratic legitimation which is automatic elsewhere in the Community. The Parliament elected by the people must have co-determination in full.

The future of Europe needs parliamentary law, not civil service law. Democracy not bureaucracy, European spirit instead of nationalistic self-seeking. Together with everyone who is concerned for European Union and together with those governments of the Member States which support this aim, and whom we thank for their European commitment, and especially the Federal Chancellor of the German Federal Republic, we shall fight, inside and outside Parliament, for increased European unity in the interests of our people and our nations. That is what preserves the peace and gives us our prosperity.

For these reasons, and with reference to the motion for a resolution, Doc. B 2-1326/85, which I tabled on the same subject, I shall set aside my reservations and vote in favour of the motion of the Committee on Institutional Affairs.

Mr Parodi (PPE), in writing. — (IT) I declare my intention of voting in favour of the motion for a resolution tabled by the Committee on Institutional Affairs because it provides an opportunity of expressing the broadest possible consensus within this Parliament on the outcome of the Luxembourg Summit, although that outcome deserves a decidedly unfavourable response.

I believe that certain of the conclusions of the Luxembourg Summit could have conferred a decisive role on our Parliament, which, of necessity and in practice, is the most legitimate and direct embodiment of the will of the peoples of Europe.

Mr Romeo (L), in writing. — (IT) The Intergovernmental Conference was summoned on the basis of Article 236, which requires unanimous support for any changes to the treaties. Few — if any — could expect, therefore, that it would achieve major results. Yet the conclusions issued at the Luxembourg summit succeeded in disappointing the hopes of even the least optimistic.

We are expected to believe that everything possible has been done, and that what it has proved possible to achieve is by no means insignificant. Now, we are told, the Community possesses the instruments it needs to create a proper internal market, the powers of the European Parliament have been increased, and monetary policy has finally been acknowledged as an objective to be enshrined in the treaties.

These attempts to disguise the reality of the situation are even more of a threat to the prospects of achieving a united Europe than the huge array of obstacles to be surmounted, and barriers to be dismantled, plus all the various constraints which have been reinforced and even more strongly entrenched behind a smokescreen of statements so ambiguous as to border, in some cases, on deceit.

If this falsified version of the facts were to prevail, it would be claimed that genuine reform of the Community was already under way, which would provide a pretext for deferring indefinitely any further discussion of the question.

I do not believe, however, that we should respond to the Council's inflexibility by being equally inflexible ourselves.

As matters stand at present, the conclusions of the Luxembourg summit are definitely not satisfactory, and therefore we cannot accept them as such. But I have supported, and therefore shall vote for, certain amendments to the conclusions adopted by the Council; these changes are the minimum necessary to enable us to claim that there has been any progress along the path to European construction.

Particular emphasis should be placed on the importance of a clear procedure to ensure that the Council decides by a majority in those cases in which it has declared that it is prepared to do so. There are a number of methods which could be adopted to achieve this end. It could be decided that, if the Council fails to reach a decision within an agreed period, proposals submitted by the Commission and supported by Parliament shall acquire the force of law; or it could be decided that, if the Council fails to consider certain proposals, any Member State or the Commission shall have the right to ask the President to put them to the vote, in accordance with Treaty provisions. But some solution along these lines is necessary if the 'Luxembourg Compromise' is to be at least limited.

It is equally important to clarify the procedure for cooperation between Council and Parliament. It may be conceded — though I believe that it is a considerable concession — that the Council shall have the last word in the decision-making process. But at the very least the Council must be obliged, after the second reading, to take a decision on any texts amended by Parliament, and it should be able to reject them only by a unanimous decision, if they are supported by the Commission, or by a majority, if the Commission does not support them.

Unless these procedural arrangements are established, I do not see how it can be argued that the Luxembourg conclusions constitute any real advance on the provisions already contained in Article 149 of the existing treaty. In those circumstances, the respect it owes to itself and its constituents would leave Parliament no alternative but to reject an entirely superficial reform which serves, yet again, to disguise a refusal to acknowledge the rightful role of this directly elected assembly.

Mr Tognoli (S), in writing. — (IT) I should like to add my thanks to the Luxembourg government, its Prime Minister, and the President-in-Office of the Council, for their coordinating work throughout this particularly sensitive and important six-month period, which was marked by the summoning of the Intergovernmental Conference on the new Treaty agreed at the Milan summit.

I also appreciate the views expressed by the Commission. Nevertheless, I must confess my disappointment at the outcome of the final meeting earlier this month, which resulted in partial agreement on some points but did not resolve the fundamental issues.

Despite talk of making 'progress by compromise', it might be more accurate to describe the conclusions of the Luxembourg Summit as having 'compromised progress', for no substantial steps forward were taken with regard to Parliament's proposals or those of the Dooge Committee.

With regard to the internal market, or rather the 'European area', the compromise obtained seems to be lacking in substance, and its chances of being implemented depend on the Member States' political will to adopt the necessary measures.

On the subject of monetary cooperation, however, the Community can actually be said to have taken a step backwards with regard to the agreements governing the European Monetary System.

Some positive results were achieved with regard to 'cohesion', but the Italian proposal to ensure 'adequate' funding for the Regional Fund met an unfavourable reception.

Tognoli

Finally, there is no need to dwell on the total lack of proposals, conferring powers on the European Parliament.

Legislative co-decision — which this Parliament had hoped for not as a means of seizing power for itself, but as an endorsement of the supranational character of European cooperation — has in effect been shelved by the rejection of the Italian amendment seeking to introduce the practice by 1993.

The Luxembourg conclusions, described by some commentators as a 'mini-agreement' or as 'small steps' to get the Community moving again, were accompanied by a general endorsement of the unanimity principle which has been applied up to now and is responsible for the slow rate of progress of every proposal seeking to reform the Community by making it more united.

While accepting this largely unfavourable view of the outcome of the summit, I believe that it should be said that it would have been preferable for the Conference to press on with its work rather than seek to obtain, come what may, partial, general and vague solutions which do not bring the prospect of European Union any closer.

Therefore I support the resolution of the Committee on Institutional Affairs which proposes, among other things, submitting Parliament's amendments to the text of the European Council's draft treaty as a sign of good faith. We shall then see, from the reaction of the Council and the Member States, whether the 'small steps' of the Luxembourg summit took us forwards or backwards.

(Parliament adopted the resolution)¹

Mr Luster (PPE). — *(DE)* Mr President, those who tabled the motion for a resolution B 2-1326/85 think it possible that there will be changes on 16 and 17 December. They would like to give their final decision in January and therefore reserve the right to table the motion again in January. I am withdrawing the motion today on behalf of the authors.

Mr von Wogau (PPE). — *(DE)* Mr President, the motion by de Ferranti, von Wogau, Scrivener, Rogalla *et al.* (Doc. B 2-1327/85), which was tabled by members of the Kangaroo Club from various groups, has become nul and void by virtue of the vote which has just taken place. Nevertheless we reserve the right to reintroduce it after the decision by the Foreign Ministers on 16 December.

¹ Mr Spinelli was:
— IN FAVOUR OF Amendments Nos 45, 59, 60, 62 to 65;
— AGAINST Amendments Nos 1 to 16, 30, 31, 51 and 66.

IN THE CHAIR: MRS CASSANMAGNAGO
CERRETTI

Vice-President

7. Question Time

President. — The next item is the second part of Question Time (Doc. B 2-1257/85).

We shall begin with questions to the Council.

Question No 61, by Mr Raftery (H-559/85):

Subject: EMS

Will the Presidency state what measures it has taken and what further action it could suggest in order to persuade two Member States, Greece and the United Kingdom, to become full members of the European Monetary System?

Mr Goebbels, President-in-Office of the Council. — *(FR)* When the European Monetary System was created it was expressly provided that any Member State that did not take part in the exchange mechanisms from the outset could take part at a later date. The decision to request participation in the exchange and intervention mechanisms of the European Monetary System is for the governments concerned alone to take. The presidency, for its part, hopes that conditions will be favourable to participation by the pound and the drachma in the exchange mechanisms as soon as possible.

Mr Rogalla (S). — *(DE)* Mr President, I should like to ease your task by asking you to answer Questions Nos 62 and No 71 together, as they both relate to the same problem.

President. — As they deal with the same subject, the following questions will be taken together.

Question No 62, by Mr McCartin (H-586/85):

Subject: Free movement of the people of Europe

Does the Council consider that the severe restrictions and impositions imposed by the British Authorities, on the grounds of security, on travellers between the two parts of Ireland, are no longer justified within a 'citizens Europe'? Does the Council think that this practice is an infringement on the free movement of the people of Europe?

and Question No 71, by Mr Rogalla (H-601/85):

Subject: Easing of controls at internal frontiers

President

What information does the Council have on the application of the agreement within the Community between the Federal Republic of Germany, France and the Benelux countries to ease controls at internal frontiers, both as regards the frequency of spot checks, complaints and comments from the people concerned, and the manning of customs posts?

Mr Goebbels, President-in-Office of the Council. — (FR) My reply to Mr McCartin's question is as follows: it is not up to the Council to decide on questions relating to a possible infringement of the Treaty. It is for the Commission to ensure that the provisions of the Treaties establishing the European Communities and the measures taken by the institutions pursuant thereto, including the articles providing for restrictions or exceptions for reasons of public order, public security or public health, are applied.

As for Mr Rogalla's question, I would like to reply as follows. I have already had the honour to say this in reply to a similar question by Mr Rogalla at the last part-session of Parliament: the Council considers that the agreement concluded between France, Germany and the Benelux countries on easing frontier controls is a major contribution to the goal of abolishing the Community's internal frontiers. The Community is kept informed of the progress of the activities carried out by the contracting parties. I gave you ample information on this subject at Parliament's last part-session.

However, the national authorities of the States concerned have sole power to control and apply these agreements.

Mr Rogalla (S). — (DE) I thank the President-in-Office of the Council for his reply. The Commission said something similar yesterday, and I should therefore like to ask the President of the Council about the state of the discussions on the Community instrument. I mean the draft directive of the Commission, which refers to simplification at frontiers, not only for motor transport, but also for air and rail transport. Is this draft directive, on which the European Parliament was asked to give an opinion under the urgent procedure, ready for ratification, and when is it to be expected?

Mr Goebbels. — (FR) This matter is still being examined, but personally I have high hopes of the Council bringing it to a happy conclusion within a reasonable time. Indeed Lord Cockfield has just addressed a letter to me on behalf of the Commission according to which the Commission is prepared to give up its reservations.

Now there is only one Member State left that still has reservations and I think I am right in saying that that Member State is showing signs of being prepared to let

matters go ahead too in the near future. At least I hope so.

President. — Question No 63, by Mr Musso (H-615/85):

Subject: Viticultural land register

Why has not the Council decided to introduce a viticultural land register, without which it cannot claim to be implementing the decisions on wine-growing taken in Dublin?

Mr Goebbels, President-in-Office of the Council. — (FR) The principle of introducing a viticultural land register is already embodied in Community regulations, specifically in Article 64 (a) of Regulation EEC No 337/79 on the common organization of the wine market. That article provides that on a proposal from the Commission, the Council shall lay down the general rules establishing a Community viticultural land register before 1 October 1985. However, at this stage the Council has not yet been consulted on the Commission's proposal.

Mr Musso (RDE). — (FR) Mr Minister, excuse me, but I do not think your reply is very serious. You had intended to introduce the viticultural land register in 1962. We will soon be in 1986. It has still not been introduced. As you have just told us, you were reminded of this fact in the document you have just referred to. And you are alleging that the Commission did not draft a proposal as a pretext for not introducing it.

You know what is happening within the Community on the question of vineyards. I am waiting to find out what will happen when we also have 1 700 000 hectares of Spanish vines. You must be joking!

Mr Goebbels. — (FR) I am very sorry that the honourable Member feels he did not receive a serious reply. Nevertheless, the Council has to wait for the Commission's proposals. I note that at present we are not being consulted on any proposal. We are therefore waiting, like the honourable Member.

President. — Question No 64, by Mr Elliott (H-640/85)

Subject: European Schools

Can the Council state if additional place and courses will be provided in the European Schools to cater properly for the children of the incoming Spanish and Portuguese staff of the Community Institutions and in particular whether it considers the present plans of the Belgian Government for the expansion of the Brussels II School to be satisfactory, especially for the youngest children and

President

can the Council further indicate whether it accepts that the administration of the European Schools needs improvement and that this should include a greater degree of participation by the European Parliament.

Mr Goebbels, President-in-Office of the Council. — (FR) Since this question relates to the European Schools, it is not within the Council's jurisdiction. The honourable Member should have addressed his question to the Commission.

The Commission represents the Community on the Board of Governors of the European Schools, which is an autonomous body responsible for applying the Protocol and Statutes signed in Luxembourg on 12 April 1957.

Mr Elliot (S). — I must honestly say that I am not very happy with that answer. I do, of course, appreciate that insofar as any institution of this Community has any say whatever in relation to European schools, it is the Commission. But the Commission has not real control at all either. I am sure the Council of Ministers recognize how pathetic is the control exercised by the Commission.

What I am asking — and I would have thought the Council could have an opinion on this — in the final part of my question — even if they cannot answer the first part — is: does not the Council think that the existing administrative structure of the European schools based on intergovernmental agreements adopted 25 to 30 years ago is now outdated and that we should be moving towards a new system of administration of the European schools in which the European Parliament itself has a role? After all, this Parliament has to approve the budget of the European schools, but it has absolutely no say whatever in the administration or control of those schools.

Does the Council think that that is an acceptable state of affairs?

Mr Goebbels. — (FR) I must point out once again that the Commission is represented on the administrative bodies of the various schools. As far as I know, each school also has a parents' association which represents parents' interests. So I think the interests of all parties directly concerned are amply protected under the existing system. As for whether the European Parliament should be associated more closely in the administration of the schools, may I point out at once that the Statutes make no provision for that. In passing, I would point out that the Council is not associated in the administration either.

Lastly, I want to warn the European Parliament against any procedure which would complicate the administration of the European Schools unnecessarily.

Mr Ford (S). — Madam President, I would like to raise one point of order and get an answer from you. I understand that Question Time will terminate at 9 o'clock this evening, and there is no provision as yet for a further extension of Question Time. Could I point out that under Rule 44(5) there will be questions to the Foreign Ministers and under the proposal we have in front of us, although Question Time can be reduced in time, much as I regret it, there is no provision in the Rules for not having questions to the Foreign Ministers meeting in political cooperation on the agenda.

Could you tell me when we shall hear from the presidency when questions to the Foreign Ministers will be taken this week? Clearly, it would be against the Rules for us not to have such a period of time.

President. — Unless the House objects, we shall continue with the questions to the Council until 8.50 p.m. From 8.50 until 9 p.m. we will have the questions to the Foreign Ministers.

Mr Ford (S). — I should be grateful if you would tell me when that was agreed by Parliament. Clearly, we are not all of us here for all of the time. It may very well be that such an agreement has been reached. Could you tell me when Parliament voted on that proposal?

President. — Mr Ford, I am making that proposal right now on the basis that two-thirds of Question Time is devoted to questions to the Council and one-third to questions to the Foreign Ministers. Unless the House objects therefore, I shall take it that this proposal is agreed to. Otherwise, we will spend the whole time on the questions to the Council. However, let us move on anyhow, Mr Ford, and lose no further time.

Mr Ford (S). — There must be a right for Members to object to that procedure. I wish to speak against that proposal, because I should like to see the full half-hour devoted to questions to the Foreign Ministers meeting in political cooperation at some other time on the agenda. I certainly don't want to waste the time of this House, and I will keep it as short as possible.

You must put that proposal to the vote, I am afraid, because I wish to object to it, and I hope that my colleagues here this evening will also object. Question Time is a very important part of the business of this House. Other people do not consider it to be as important as I do, and we must have the right to insist that Question Time is as important as some of the prolonged debates that we have had today and other days this week, which have stopped us from having a serious Question Time.

President. — I put to the vote the proposal that up to 8.50 p.m. we deal with questions to the Council of Ministers and that from 8.50 p.m. to 9 p.m. we take the questions to the Foreign Ministers.

(The proposal was rejected)

The President-in-Office of the Council cannot be present tomorrow, so I would recommend that we continue until 9 p.m. with the questions to the Council of Ministers.

I put this proposal to the vote.

(The proposal was rejected)

Mr Ford (S). — Your proposal, Madam President, has been rejected. I therefore propose that we continue until 9 o'clock with questions to the Council. The Chair has to report tomorrow as to when we take questions to the Foreign Ministers.

President. — If there are no objections, then that is agreed.

As the authors are not present, questions Nos 65, 66 and 67 will be answered in writing.¹

Question No 68, by Mr Fitzsimons (H-501/85):

Subject: The search for oil and gas

In view of the continuing need to ensure that the Community becomes and then remains as energy independent as possible, will the Council indicate if it is satisfied that Member States are providing the best incentives to prospecting companies to continue or increase the levels of their operations in the search for oil and gas both at sea and on land?

Mr Goebbels, President-in-Office of the Council. — (FR) The Council wants to repeat that it regards the objective of the Community becoming more energy independent as fundamentally important. That is why in 1973 the Council introduced Community rules covering a programme of support for technological development in the field of hydrocarbons. Subsequently, this policy was expanded by regulations on granting aid for demonstration projects and industrial pilot projects in a wide range of energy sectors.

It will continue this policy, without this excluding national measures. At its meeting of 11 November 1985 on energy questions, the Council set out common guidelines for carrying out these multiannual support programmes over the period 1986-1989. Under this programme, projects relating to the prospecting,

exploitation, storage and transport of hydrocarbons by innovative techniques may be eligible for Community aid.

Mr Fitzsimons (RDE). — Would the Council ask the Commission to provide information, which in my view is very sorely needed, on the following points:

- (a) a comparison of the incentives for oil and gas exploration in the Member States,
- (b) ways and means of ensuring that the least favoured regions are given the most advanced support structures,
- (c) guidelines on the kind of incentives that should be introduced to eliminate any disparities between Member States?

Will the Council then report back to me on the Commission's response to the request? I very much want an affirmative reply.

Mr Goebbels. — (FR) The honourable Member has put a long list of questions to me. But most of them should be addressed directly to the Commission.

Personally, I can only take note of the suggestions made by the honourable Member. They are certainly welcome and the Council departments will study them.

Mr Ford (S). — Are we satisfied, not only in regard to oil and gas resources but also in regard to other resources in the Community, notably coal and geothermal energy, that the necessary incentives have been provided to try to ensure that we maximize the energy independence we have? That, after all, is vital for the Community. I certainly welcome the comments and the question by Mr Fitzsimons, but I do think that should be extended outside the oil and gas sector to include other areas. Are we satisfied that that, in fact, is the case?

Mr Goebbels. — (FR) The energy policy objectives defined by the Council do indeed go much further than the question raised by the honourable Member. Among the objectives laid down, it has been said that a distinction should be made between horizontal and sectoral objectives and that future research should relate to the more rational use of energy, to oil, to natural gas, to combustible solids, to electricity production and to the new and renewable energy sources.

President. — I cannot ask the President-in-Office of the Council to reply again.

Question No 69, by Mr Anastassopoulos (H-525/85):

Subject: Additional tuition fees for students attending educational institutions in any Community Member State

¹ See Annex 'Question Time'.

President

What steps does the Council propose to take to ensure that the decisions of the European Court and Article 7 of the Treaty of Rome, which prohibits discrimination on grounds of nationality, are respected and that students may attend educational institutions in any other Member State of the Community without being charged additional tuition fees, as happens, for example, in Belgium?

Mr Goebbels, President-in-Office of the Council. — (FR) The Treaty does not give the Council any power to ensure that the decisions of the Court to which the honourable Member refers are respected.

Moreover, it is for the Commission to ensure that the provisions of the Treaty are respected, including Article 7, as interpreted by the Court of Justice in its decisions.

Mr Fitzsimons (RDE). — I am certainly not satisfied. The purpose of Question Time in any parliament is to elicit information. That is true of the House of Commons and the Irish Parliament. In fact, that is one of the few good things that we in Ireland have received from the UK. The Minister has not given an answer to my question. He has side-stepped the situation. I realize well what the Minister is doing. I have been in a minister's position in my home parliament many times. He has not answered my question.

Mr Anastassopoulos (PPE). — (GR) Does Council's President-in-Office not think that independently of (The sitting was closed at 9 p.m.)¹

the Commission's responsibility for compliance with the Treaty's directives, the problem of abolishing discrimination on the grounds of nationality is also one to which Council should devote some attention? Does Council's President-in-Office not think that the Council of Ministers should take some action to ensure that we do not merely pay lip service to the need for free circulation of people and goods in Europe without taking a single practical step towards this? Does Council's President-in-Office not think that Council could consider adopting measures to prevent a situation such as that in Belgium, where a decision *ad referendum* of the European Court of Justice is ignored and a contradictory decision is issued by a European high court?

Mr Goebbels. — (FR) I agree with the honourable Member that there is a problem and that the Council must consider it, but for the time being an action has been brought before the Court of Justice against the Kingdom of Belgium relating to this matter. In order not to prejudice the final decision, the Council will refrain from intervening in a matter pending before the Court by giving a parliamentary reply.

President. — Question Time is closed.¹

(The sitting was closed at 9 p.m.)²

¹ See Annex 'Question Time'.

² Agenda for next sitting: see Minutes.

ANNEX

I. *Questions to the Commission**Question No 11, by Mr Fanton (H-579/85).*

Subject: Restrictions in certain countries on combining employment with drawing a pension

Certain countries unilaterally adopt measures to restrict the practice of combining employment with the drawing of a retirement pension. Does the Commission plan to submit proposals on this matter, to prevent discriminatory situations being created among the Community countries?

Answer

The mechanisms of accumulation between social benefits (e.g. old age pensions) and occupational incomes lie within the competence of national authorities. However, in the Council recommendation of 10 December 1982 on the principles of a Community policy for retirement age¹ the case is foreseen where 'Employed workers receiving a retirement pension cannot be excluded from any form of paid employment'. The Commission does not envisage, for the moment, making any new proposals on this topic.

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Question No 18, by Mr Ulburghs (H-617/85)

Subject: Dumping of fly ash in Genk

In the Belgian commune of Genk there is great concern about the plans of the electricity company EBES, which will be changing over to a coal-fired power station — in itself something to be welcomed of course — and dumping so-called fly ash (a learned name for soot) in a nearby lake. The residents of Nieuw-Sledderlo, a neighbouring council estate, are afraid of environmental pollution, contamination of drinking water and, above all, the loss of a unique and inexpensive recreation area.

When the Commission established the Community's new energy objectives and coal policy, did it advocate that, at the same time as greater use was made of domestic coal supplies, effective waste processing systems should be put into operation, so that employment in the coal mines could be reconciled with the requirement of a healthy environment?

Answer

The Commission proposed new Community energy objectives in May 1985. This communication is currently under discussion by the Council.

The proposed objectives are divided into horizontal and sectoral objectives. Among the latter, the Commission outlined an objective linked to the environment: The balanced pursuit of both energy and environmental aims, particularly through the use of the best available and cost-effective control technologies and through improvements in energy efficiency.

With regard to the objective relating to the solid fuels sector (which includes coal), the Commission's aims are: To maintain and if possible increase the present market share for

¹ Recommendation 82/857/EEC, OJ L 357 of 18 December 1982 (see point 4).

solid fuels; continued restructuring of the Community's solid fuels production industries. The Commission is also in favour of maintaining — as formulated in the common energy objectives for 1990 which were drawn up in 1980 — priority for the use of solid fuels and nuclear energy in the electricity sector.

It has also been possible to expand Community support in the research, development and demonstration fields. As part of its third programme of non-nuclear R&D, the Commission has proposed the creation of a subprogramme centred on research into the more efficient use, producing less pollution, of solid fuels. In March 1985 the Council agreed to allocate 20 million ECU to this subprogramme over four years.

The sector of new combustion technologies for solid fuels also has a programme, in operation since 1983, for the financing of demonstration projects. The renewal of the programme for 1986-1989 has been decided in principle.

Lastly, the Commission has on numerous occasions alerted the Member States and all those involved about the possible constraints which might be placed on the future use of coal as a result of the uncertainty concerning regulations to deal with environmental problems. These regulations and the control of harmful emissions constitute a transnational problem which cannot be solved on an individual basis by the Member States. This situation prompted the Commission in 1983 to submit a major proposal for new Community regulations on the control of nitrogen, sulphur and particle discharge from large combustion plants, such as coal-fired power stations. This proposal for a directive is now being considered by the Council of Ministers on the Environment.

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Question No 20, by Mr O'Donnell (H-629/85)

Subject: Father Rudi Romano

What action has been taken by the Commission, and with what results, following the motion adopted by Parliament on Thursday, 12 September 1985 on the abduction and disappearance of Father Rudi Romano?

Answer

Following the adoption of Parliament's resolution on the abduction and disappearance of Father Rudi Romano on 23 September 1985, the matter was raised with the Philippine Ambassador to the Community. He undertook to report the Parliament's interest to the authorities in Manila and to make available any relevant information. He also reported that the authorities had already given instructions to look for the missing priest.

The Commission has not been informed of any developments and has asked again that information on the disappearance of Father Rudi Romano be provided.

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Question No 22, by Mr Maher (H-653/85)

Subject: Monitoring of the application of the Regional Development Fund

Could the Commission state to what extent it monitors the use of money granted under the ERDF and whether or not it measures cost-efficiency in the implementation of projects and could it further specify the extent to which projects are contracted to private bodies and if so, has it conducted any studies into the relative costs of having schemes managed by the private sector rather than by State agencies?

Answer

Council Regulation (EEC) No 1787/84 of 19 June 1984 on the European Regional Development Fund provides in its Article 22, paragraph 3 that in the case of investments of 15 million ECU or more, applications shall contain in addition to factual data on the investment, an appropriate viability assessment.

Such viability of projects should be justified by the Member State in terms of profitability assessments or cost-benefit analyses for industrial and infrastructure projects respectively.

Industrial projects aided by the ERDF are required to be economically sound concerning activities which are viable, profit making, adequately funded and assured of the reasonable future. Profitability assessments provided by the Member State should indicate the returns expected on the capital funds to be invested in the projects. However the actual method used to calculate such a return is at the discretion of each Member State.

In respect of investments in industry, the crafts or the service sector no distinction is made between private and public enterprises. Projects are mainly undertaken and managed by private sector firms. Nationalized enterprises can benefit from the ERDF under the same criteria as privately owned firms.

Infrastructure projects are mostly managed by State or public bodies such as water authorities or local authorities, such as county, district or borough councils. However, the relevant works are generally contracted to private firms in accordance with tendering procedures and regulations applicable in each Member State, although this does not exclude the use of direct labour in appropriate cases.

No study into the relative costs of having schemes managed by the private sector rather than by State agencies has been conducted by the Commission.

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Question No 26, by Mr Ford (H-474/85)

Subject: Proposals for the European coal industry

In the light of the Commission's answer to written question No 748/85 how can the Commission proceed with proposals for the European coal industry without consulting private British coal producers?

Answer

1. On 25 September 1985 the Commission adopted a draft decision (ECSC) concerning the problems of State aids to the Community coal industry. As indicated in the reply to Written Question No 748/85, by Mr Ford, in March and April of this year the Commission's departments — in preparation for this new system — had informal exploratory talks with the Member States concerned and with the firms and workers' representatives. No consultation request was put forward by private British coal producers. Furthermore, these firms do not receive any government subsidy.

2. The Commission would also like to inform the honourable Member that, in accordance with the official consultation procedures, the draft decision on new Community arrangements for State aids to the coal industry will be submitted to the Council, to the European Parliament and to the ECSC Consultative Committee on which coal producers are represented. The Commission hopes thereby to obtain comprehensive information, especially on the problems of coal-producing firms, so that a final decision may be taken in 1986 on a new system of State aids for the coal industry.

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Question No 29, by Mr Eyraud (H-659/85)¹

Subject: Food poisoning in France

Recently, there were reports in the press concerning an outbreak of food poisoning in France which affected some 300 people, two of whom died. The food poisoning was caused by horsemeat offal imported from the United States.

Can the Commission indicate:

- (a) the nature of the food poisoning;
- (b) the precise origin of the meat responsible;
- (c) whether the Community applies to the United States the same health standards as it applies to other third country exporters;
- (d) whether it believes that the USA has taken the same trouble as other third countries to guarantee slaughterhouse hygiene;
- (e) whether, finally, it has been able to approve US slaughterhouses in proper circumstances?

Answer

According to information supplied by French health authorities, cases of trichinosis were detected in France, particularly in the Paris area, in August and October 1985.

In the case of the first outbreak, the information gathered during the investigation by the French health authorities led them to the conclusion that the human infestation resulted from the consumption of horsemeat imported from the United States. The investigation into the second outbreak has not been finally concluded but it would seem that the contaminated carcass came from a horse slaughtered in the Federal Republic of Germany.

The health standards laid down by Community regulations are applicable to all third countries without exception and the Commission has always ensured that these standards are complied with, without any special derogations.

The Community inspections which were carried out in the United States, and which were completed in February 1985, revealed serious problems with regard to Community regulations, and a solution to these problems will have to be found as quickly as possible. It is to this end that talks with the relevant American authorities have been held on several occasions, and these talks are continuing.

The decision which the Commission must take in this area is in the process of being adopted. This decision will lay down, with the usual interim measures, the Community arrangements regarding imports of fresh meat from the United States.

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Question No 30, by Mr Mattina (H-667/85)²

Subject: Sales of medicaments and pesticides to third countries

In the light of the following press reports:

- chemical firms and pharmaceutical companies based in the EEC sell to third countries, especially developing countries, medicaments and pesticides whose circulation is

¹ Former oral question without debate (0-133/85), converted into a question for Question Time.

² Former oral question without debate (0-131/85), converted into a question for Question Time.

prohibited or severely restricted in the Community, taking advantage of the fact that such products are used freely elsewhere;

- a number of European organizations (International Organization of Consumers Unions, Bureau européen des unions de consommateurs, Pesticide Action Network, Seeds Action Network, Health Action International) have spoken out in Brussels against the scandal of the sale of dangerous products, compounded by a lack of proper information, pointing out that European manufacturers of pharmaceuticals and pesticides contrive in this way to control 50% and 60% respectively of world exports;

will the Commission state:

- whether there are Community directives prohibiting or restricting exports of products whose sale is banned or subject to severe restrictions in the Community?
- what steps it intends to take to put an end to the scandalous trade in pharmaceuticals and pesticides with third countries?

Answer

Community legislation, in conjunction with the certification scheme established by WHO, already provides guarantees for exports of medicinal products to developing countries that the quality of the medicines they import from the Community is the same as the quality of medicines on the Community market. Moreover, the authorities of developing countries can readily obtain information on the manner in which medicinal products are used within Europe. The whole question of the rational use of drugs, particularly in the Third World, was discussed at a private WHO Conference in Nairobi at the end of November 1985, and will be further discussed at the next World Health Assembly in the Spring of 1986 and at the next International Conference of Drug Regulatory Authorities in the Summer of 1986.

The Commission will be playing an active part in these discussions and in the light of the decisions taken will decide what action is required at Community level.

Pesticides

In the case of pesticides the use of which is either prohibited or severely restricted in industrialized countries, the Commission feels that this question is best dealt with by international agreement. To this end the Commission is actively participating in the work of several international bodies dealing with the subject, for instance, OECD, UNEP and FAO.

At Community level the Commission is in the process of preparing a draft Council regulation envisaging Community procedures for the notification of exports and imports of chemicals, including pesticides, whose use is prohibited or severely restricted in the Community. This is specifically intended to enable third world countries to make informed judgements on the products offered to them.

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Question No 31, by Mr Adamou (H-575/87)

Subject: Protecting the antiquities and improving the quality of life of the inhabitants of the holy city of Eleusina

Eleusina, the home of Aeschylus and a holy city in antiquity, whose history goes back 4 000 years and which gave birth to cultural values that today form part of the world's cultural heritage, today faces very serious problems regarding the protection of its archaeological treasures and the quality of life of its inhabitants.

At a recent international congress (6-8 September 1985) in Eleusina, attention was drawn to the damage suffered by the antiquities and the environment through industrial pollution, which has assumed criminal proportions over the last few decades, and various measures were proposed to deal with the situation. As regards the protection of the environment and the life of its inhabitants, it was proposed to prohibit the establishment of new industries or the expansion of existing ones in the region, to install more advanced systems for treating industrial waste and to remove 'dirty' industries etc. . . .

Proposals were also made to protect the archaeological treasures, namely by maintenance and restoration work, the setting up of a modern museum and the creation of an 'International Spiritual Centre of Eleusina' so as to enable this holy city of antiquity to resume the cultural role it played for 2 000 years.

Would the Commission state what measures it intends taking to help realize the above objectives?

Answer

The honourable Member is reminded that the problem of the damage to the Community's architectural heritage by atmospheric pollution was the subject of Commission communications in 1977 and 1982 to the Council and Parliament on Community action in the cultural sector (see Supplements to the Bulletin of the European Communities Nos 6/77 and 6/82).

In its 1982 communication the Commission clearly stated: The worst threat to the architectural heritage comes from atmospheric pollution caused by the use of petroleum products for heating and as a source of power for industry and transport . . . No remedy has yet been found (Supplement to the Bulletin of the European Communities No 6/82, p. 26).

The Commission realizes that — especially in the case of Eleusina, a holy city for Western civilization for more than 2 000 years — the situation is not only important but extremely urgent. The fact of the matter is that preservation work is extremely difficult, and the studies which have been carried out so far — including a number of Commission studies now in progress — have not yet revealed the best solution for limestone in general, for marble, or for brick. The Commission will inform the honourable Member of the outcome of these studies as soon as the results are known.

As for the specific problem of restoration, the honourable Member is referred to the answer which the Commission has already given to the written questions by Mr Fitzsimons (No 1740/85), Mrs Braun-Moser (No 1508/85), Lord O'Hagan (No 594/85), Mrs Ewing (No 557/85), Mr Roelants du Vivier (No 595/85) and Mr Clinton (No 342/83).

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Question No 32, by Mr Christodoulou (H-577/85)

Subject: Extension of the validity of Regulations 2968/83, 2966/83 and 619/84

The validity of Regulations 2968/83¹ of 19 October 1983 (introducing a common measure for the acceleration of collective irrigation operations in Greece), 2966/83² on the development of agricultural advisory services and 619/84³ extending geographically Regulation 1975/82⁴ (on the acceleration of agricultural development in certain regions of Greece) expires, in the case of the first and second, on 31 December 1985, and of the third, on 5 December 1985.

¹ OJ L 293 of 25 October 1983, p. 5.

² OJ L 293 of 25 October 1983, p. 1.

³ OJ L 68 of 10 March 1984, p. 1.

⁴ OJ L 214 of 22 July 1982, p. 1.

As steps must be taken to ensure that they are combined and jointly financed with the integrated Mediterranean programmes, and as the projects which were financed and the sums made available under the above regulations were minimal in comparison with the actual needs of Greek agriculture, can the Commission say whether and when it intends to submit a proposal for extending the validity of Regulations 2968/83, 2966/83 and 619/84, so that the decision by the Council may be taken in good time, in order that the common operations in question may be combined with the implementation of the IMPs as soon as these are approved by the Commission, and, more particularly, in order to bridge the gap between the expiry of the aforesaid regulations and the approval of the Greek IMPs by the Commission?

Answer

The Commission is in the process of considering the possibility of a proposal to the Council for an extension of the regulations to which the honourable Member refers, in view of the particular problems which might arise at the expiry of these regulations.

In general terms, the position of the Commission with regard to the common actions which will terminate during the validity of Regulation (EEC) No 2088/85 on integrated Mediterranean programmes¹ is as follows: the financing as common measures financed by the EAGGF (Guidance Section) of agricultural measures of the same kind as those existing, such as those to which the honourable Member refers, will be possible to the extent that the latter are selected after consideration of the various IMPs which will be submitted to the Commission by the Member States.

Article 12(1) of Regulation (EEC) No 2088/85 in fact states: By virtue of this regulation, without prejudice to the provisions of Article 7(2) of this regulation, in the context of the budgetary resources of the Guidance Section of the EAGGF, *agricultural measures accepted following examination of IMPs* shall constitute common measure for the purposes of Regulation (EEC) No 729/70² where they follow the same conditions of eligibility and of granting of aid, with the exception of those concerning physical limits and unit costs, *as measures of the same type in force at the date on which this regulation comes into force.*

In view of these provisions, it is the Commission view that it is not necessary to renew the regulations which expire during the validity of the IMP regulation by means of a proposal to the Council for an extension.

In the light of the current circumstances, the best solution would be for Greece to submit its proposals for IMPs to the Commission without delay.

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Question No 33, by Mr Clinton (H-581/85)

Subject: Court of Justice Case 23/84: Milk Marketing Board for England and Wales

Would the Commission please state why, in view of the inordinate delay in bringing this case to the European Court, the oral hearing scheduled for 2 October was cancelled? Would the Commission please advise if a new date has yet been fixed. If not, when do they expect the hearing to commence, bearing in mind their reply to my Oral Question No 40 (H-252/85)?³

Answer

The oral hearing scheduled for 2 October 1985 was postponed to allow the Court to consider certain procedural matters raised by the United Kingdom.

¹ OJ L 197 of 27 July 1985, p. 1.

² OJ L 94 of 28 April 1970, p. 13.

³ Verbatim report of proceedings of 10 July 1985. Provisional edition.

The date for the oral hearing has now been fixed for 19 February 1986.

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Question No 34, by Mr McCartin (H-585/85)

Subject: Administration of emergency aid to Ireland

Can the Commission explain how it proposes to administer the scheme by which subsidized cereals will be made available to Irish farmers under the emergency aid scheme, that was agreed upon after the disastrous summer weather in Ireland?

Answer

Details of the administration of the special measure can be found in Council Regulation (EEC) No 2918/85 in Official Journal No L 280 of 22 October 1985. 55 000 tonnes of common wheat will be transferred from the United Kingdom intervention agency to the Irish intervention agency. The Irish intervention agency is to put up for sale for use in animal feed 125 000 tonnes of common wheat in the month concerned. The cost of this price reduction as well as transport costs are to be taken up, by the EAGGF (Guarantee Section).

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Question No 35, by Mr Pearce (H-591/85)

Subject: Magnetic telephone cards

With the rapid introduction of magnetic cards for payment of telephone calls from public call-boxes instead of coins, in a number of Member States, what steps has the Commission taken to use this opportunity to press telephone authorities in the Community to set up a unified system so that a telephone card bought in one Member State can be used in any other Member State?

Answer

The question of harmonizing telephone cards which can be used internationally is already being studied by the European Conference of Post and Telecommunications Administrations and the International Telegraph and Telephone Consultative Committee. Proposals for such action are being prepared and the Commission does not therefore need itself to take an initiative in this matter.

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Question No 36, by Mrs Jepsen (H-592/85)

Subject: Contribution towards AIDS research and prevention

If the number of cases of AIDS (Acquired Immune Deficiency Syndrome) diagnosed to date continues to rise at the present rate, there will be more than 30 000 cases in Europe by 1990.

In its resolution of 20 January 1984, the European Parliament had already called on the Commission to draw up an emergency programme of research into and measures to com-

bat AIDS, having regard *inter alia* to Recommendation R(83)8 of the Council of Europe on measures to prevent the spread of AIDS through blood products and blood plasma.

What information can the Commission provide about the contribution being made to AIDS research and prevention, and what does the Commission propose to do to promote AIDS research in the Community and in the individual Member States?

Answer

The Commission is well aware of the increasing incidence of AIDS in Europe and the need to strengthen coordination of current research efforts. The number of people affected has increased considerably and it is important that we take steps to contain the disease and find a cure for those who are suffering from it. To this end we intend to present early in 1986 a proposal for a new medical research programme covering the years 1987 to 1989 and to include in this proposal a reinforced coordination of research into AIDS.

The Commission provided detailed information about ongoing AIDS research activities in its reply to the oral question H-644/85 by Mrs Lizin.

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Question No 38, by Mr Howell (H-639/85)

Subject: Young people displaced after the end of World War II

In view of the fact that many young people that were displaced after the end of World War II, and that many of one nation married nationals of the other nations, and that those same individuals are now reaching retirement and pensionable age, does the Commission recognize that such people often face serious difficulties in obtaining their rightful pensions from one Member State for payment in another, and will it set up an inquiry into this matter?

Answer

Community Regulations¹ coordinating the social security schemes of the Member States, adopted under Article 51 of the EEC Treaty, include provisions for the payment of social security pensions in any Member State (Article 10 of Regulation No 1408/71).

The persons covered by these Regulations are

- nationals of the Member States
- stateless persons and refugees resident in a Member State
- members of the family of these persons whatever their nationality (Article 2 of Regulation No 1408/71).

The Regulations do not apply to social assistance, nor to benefit schemes for victims of war or its consequences (Article 4 of Regulation No 1408/71).

The introduction of a pension claim to the institution of a Member State automatically involves the award of benefits to which the claimant is entitled in all Member States where he has been insured.

The Commission does not see the necessity of setting up an inquiry, but would look into any specific cases that the honourable Member may bring to its attention.

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¹ Regulations (EEC) Nos 1408/71 and 574/72, OJ L 230 of 22 August 1983.

Question No 39, by Mr Romeos (H-657/85)

Subject: Restrictions on wine imports to the USA

It is reported that, in response to demands by grape producers, the US Government intends pursuing a protectionist policy in negotiations for the reduction of imports of table wines from the Community, notably those from Italy, France and the Federal Republic of Germany.

In view of the fact that the Commission has in earlier GATT negotiations with American government representatives tended to make compromises and concessions, what precise position does it intend adopting following the recent pressure by American grape producers to reduce imports of Community table wines?

Answer

The honourable Member will be aware that on 21 October the US International Trade Commission dismissed anti-dumping and countervailing duty petitions filed by the Grape Growers' Alliance for Fair Trade, on the grounds that no injury had been caused to the US industry by imports of table wine from Italy, France or Germany.

The Commission had already strongly condemned the petitions as unfounded and in breach of the United States obligations under the GATT. It has also brought the question of the legality of the relevant legislation formally before the GATT, by seeking and obtaining establishment of an investigation panel. The Commission will continue vigorously to defend Community interest, in whatever context, in its contacts with third countries.

The Commission cannot accept views of the honourable Member with regard to the manner it conducts negotiations with the United States in either a bilateral or multilateral context.

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Question No 40, by Mrs Jackson (H-664/85)

Subject: Tyre tread depths

Is the Commission planning to make proposals for European standards for tyre tread depths, given that at present national regulations in the Member States allow for varying tread depths, and that it would be desirable — especially in European Road Safety Year — to harmonize national standards to the most stringent available?

Answer

In 1976 the Commission made a proposal for a Directive on 'the approximation of the laws of the Member States relating to tyres for motor vehicles and their trailers'.¹ Concerning tyre specifications and particularly tread-wear indicators, this specifies that 'The wear indicators should give visual warning when the depth of the corresponding tread-grooves has been reduced to 1.6 mm'.

Whilst it is not proposed to prescribe legal requirement that tyres should be changed when the indicators appear, the requirement to have indicators is the first technical step needed to inform vehicle owners and the authorities about tyre wear. Such a measure could be followed by a use requirement as a next step.

¹ OJ C 37 of 14 February 1977, p. 1.

Unfortunately the Council has not adopted this directive as well as one or two others relating to windscreens and weights and dimensions of private cars, for reasons other than their technical merits. These directives if adopted would make possible to overall type approval of a vehicle, which some Member States are opposed to, being afraid that it would open up the European market to third countries too easily.

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Question No 42, by Mr De Vries (H-673/85)

Subject: Freedom of movement for workers

Many frontier workers are faced with taxation problems over income which they earn in another Member State. The Commission submitted a proposal to improve this situation in 1979: proposal concerning the harmonization of income taxation provisions with respect to freedom of movement for workers within the Community (COM(79) 737 final).

What is preventing the Council from adopting this proposal?

Answer

A number of questions both of principle and of detail remain to be resolved. The main difficulties of principle are the doubts of several Member States about the need for a directive in view of the bilateral arrangements which already exist; and reservations as to the general principle of taxation in the country of residence. The Commission continues to believe that the persistence of problems under bilateral arrangements makes a Community solution desirable and that the most equitable principle is that of taxation in the country of residence. The Commission will continue to press Member States to reach agreement on the measure.

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Question No 43, by Mr Adam (H-677/85)

Subject: Indirect action programme management

During the budget procedure for 1985 the Parliament inserted an amendment calling for five permanent posts in specified grades to improve the management procedures for indirect action research.

Will the Commission please state how many of these have now been filled and what improvements these appointments have made in reducing contract handling time?

Answer

Three posts have now been filled and the other two will be filled early next year. The procedures for recruitment are inevitably slow and to bridge the gap the Commission has recruited Category A auxiliary staff with specialized knowledge by secondment from national laboratories.

Improvements in procedures will gradually emerge as all the posts are filled and the people appointed become familiar with their work. Meantime, the Commission has taken other measures to rationalize the existing contract handling procedures *inter alia* by an increased use of data processing, by standardization of research contracts and by concluding framework agreements with major research institutions.

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Question No 44, by Mr Aerssen (H-678/85)

Subject: Accession of Spain and Portugal

Can the Commission state whether it has made a thorough assessment of the impact which the accession of Spain and Portugal will have on Latin America's trade both with the Community and with third countries? In addition, what are likely to be the effects on movements of capital between the Community and Latin America?

Answer

It does not seem possible at this time to carry out a full and thorough assessment of the impact which the accession of Spain and Portugal will have on the foreign trade of Latin America. The reason is that all the factors necessary for a study of this kind are not available.

Be that as it may, the Commission has considered the matter and at its request the Institut für Ibero-Amerika Kunde prepared a study entitled 'The political and economic relations between Europe and Latin America in view of the southern enlargement of the European Communities due to the entry of Spain and Portugal'. The study was published in Hamburg in 1983 and represents the first structured analysis of the problems in question. The Commission will send a copy of the study to the honourable Member.

Furthermore, the Commission examined the particular problem of the trade in certain products between Spain and Latin America shortly before the accession treaties were signed. As a result, at the end of the negotiations it was possible to draw up a joint declaration of intent concerning the development and expansion of relations with the countries of Latin America. This declaration was annexed to the accession treaties.

The Community is ready to strengthen and diversify exchanges with the Latin American countries and also to examine, after accession, the problems which might arise in the area of trade, with specific reference to the scope of the system of generalized preferences.

The implementation of certain measures to facilitate for a certain time the importing of three products (tobacco, raw coffee and cocoa) of importance to Spain and Latin America is being studied.

The Commission will be in touch with the Spanish and Latin American authorities to monitor the commercial consequences which might be felt after some time as a result of accession and will take appropriate action where necessary.

It is difficult at the present time for the Commission to provide reliable information on the foreseeable effects of accession on capital movements between the Community and Latin America. It can only be assumed generally that the knowledge which Spanish investors have of Latin American countries and the possibilities they offer should encourage an increase in the movement of capital.

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Question No 47, by Mrs Squarzialupi (H-682/85)

Subject: Production of ethyl alcohol from surplus cereals for use as a petrol additive

In view of the keen debate going on at present between the Commission and private groups on the production of ethyl alcohol as a petrol additive to replace lead, can the Commission state whether, prior to taking any decisions, it has taken account of certain environmental problems such as: the reconfirmation of the practice of intensive cereal production with the consequent massive use of fertilizers, the extension of such crops to peripheral regions such as mountain areas with all its implications for the local hydrogeo-

logical situation, and the possibility of pollution from new industrial plant for distilling ethyl alcohol?

Answer

The obligation, with effect from October 1989, to market lead-free petrol in the Community could in theory increase the demand for alternatives to lead as an octane booster, including ethanol.

However, the technical characteristics of ethanol as an octane booster compare unfavourably with those of other additives and therefore severely limit its growth prospects.

In addition, in the short to medium term the prospects of marketing bioethanol are limited, mainly because of the high cost of making it which is at present well in excess of that of competing products.

The Commission has not considered the possibility of a subsidy covering all the difference between the cost of making bioethanol from cereals and the price which the petroleum industry would be prepared to pay for this bioethanol as a raw material.

In its recent memorandum on changes to the common organization of the cereals markets, the Commission stipulated that consideration might be given to granting aid for marketing bioethanol equivalent to the cereals export refund.

This refund is at present some 80 ECU per tonne of cereals while the abovementioned difference is between 100 and 150 ECU per tonne of cereals.

The possibility of using bioethanol as an octane booster for lead-free petrol is not therefore a valid argument to justify an increase in cereals production.

A recent report by the Federal German Research and Technology Ministry entitled 'Renewable Raw Materials' indicates that the manufacture of bioethanol for incorporation to the extent of 5% in petrol in Germany would necessitate effluent treatment plants with a capacity equivalent to that required for a population of 25 million.

The Commission is well aware of the environmental problems posed by intensive farming and the biofermentation plants associated with the production of bioethanol. However, no specific measures have yet been taken at Community level in this field.

However, if despite the above considerations bioethanol production is increased in order to open new agricultural outlets, the Commission agrees with the honourable Member that the risks for the environment and in particular water quality must be carefully assessed in advance and that protective measures should, where appropriate, be proposed in order to reduce such risks to a minimum.

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Question No 48, by Mr Collins (H-685/85)

Subject: Food policy

Does the Commission recognize that in the area of food policy it is essential to have scientific advice of the very highest level? Will the Commission explain why it found it necessary to cancel the last meeting of the Scientific Working Group on Anabolic Agents in Animal Production in view of the need to arrive at a rapid decision at Council level on the use of growth promoters in meat production?

Answer

The Commission has always given importance to the need to have scientific advice of the highest quality when considering problems in the sector of food policy. It is for this reason

that it has established a number of scientific Committees whose members are scientists from throughout the Community and whose expertise is of the highest possible calibre.

However, the honourable member must recognize that the scientists can only give us an indication of the scientific situation and of the possible choices or alternatives which may exist.

In coming to decisions on policy we must take into account many other elements of a matter. It is normal that this may also involve decisions to suspend a certain line of scientific work.

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Question No 49, by Mr Romeo (H-688/85)

Subject: Community participation in the construction of a bridge over the Strait of Messina

In recent months there has been renewed interest in the possibility of constructing a major road bridge over the Strait of Messina which would solve the bottlenecks in traffic between Sicily and Calabria and this has resulted in a number of feasibility studies. Can the Commission say through which instruments it intends to participate in and encourage the realization of this project?

Answer

The existing Community financial instruments which may be used to co-finance the project for the construction of a bridge over the Strait of Messina are as follows:

- loans by the European Investment Bank;
- loans from the resources of the New Community Instrument;
- subsidies by the European Regional Development Fund.

The Commission cannot however comment on the suitability of Community financing until an application has been submitted by the Italian authorities.

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Question No 51, by Mr Ephremidis (H-697/85)

Subject: The granting of a Community loan

Would the Commission state whether, in view of the fact that Greece has invoked Articles 108-109 of the Treaty of Rome, provision has been made for the granting of a Community loan and, if so, on what conditions such a loan might be granted and what stage negotiations have reached on this matter?

Answer

On 14 October 1985 the Greek Government invoked Article 109 of the Treaty when adopting, as part of a programme to revive the Greek economy, measures introducing deposits on the imports of certain goods. Following these measures, the Commission — as stated in its communication to the Council on 23 October 1985 — implemented procedure under Article 108 of the Treaty.

After an assessment carried out in collaboration with the Monetary Committee and in liaison with the Greek authorities on the situation with regard to Greece's external payments and the impact of the new measures to revive the economy, the Commission responded to a request by the Greek Government and proposed the granting of a Community loan.

At its meeting of 18 November 1985 the Council agreed to grant a Community loan of 1 750 million ECU to Greece under the terms of Regulation (EEC) No 682/81 on the Community loan mechanism designed to support the balance of payments of Member States. The loan is granted in the light of the decision by Greece to implement a programme to revive the economy and will be paid in two equal instalments:

- the first instalment at the conclusion of the Community's loan operations;
- the second instalment within one year after payment of the first, but in no case before 1 January 1987, and in the light of the development of Greece's economic situation and the results of the new programme to revive the economy.

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Question No 52, by Mr Alavanos (H-700/85)

Subject: Contributions on sugar

The Commission has proposed that the contributions on sugar paid by sugar refineries to the Community budget should be increased from the present level of 2% in respect of the total quotas (A and B quotas) to 2.5% and from 30-37.5% to 30-47% in respect of B quota, in addition to the former increase. This constitutes a further setback for local sugar production in Greece, which is not self-sufficient and does not cover Greek requirements although it could actually export sugar. It will also lead to an increase in the price paid by consumers and further under-employment of the workforce in sugar refineries.

How does the Commission view the problems facing Greece in the event of such a decision being implemented?

Answer

Sugar production in Greece between 1981-82 and 1985-86 — with the exception of the 1984-85 season — has always exceeded domestic requirements. The workforce employed in the fields by sugar refineries increased by 23% to 1984-85.

The Commission's original proposal of August 1985 to increase sugar contributions has in the meantime been modified by another Commission proposal. The proposal for a modification under Article 149(2) of the Treaty still requires the opinion of Parliament. It is the Commission view that the new proposal pays more attention to the situation of the sugar industry and beet growers in Greece.

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Question No 54, by Mrs Daly (H-712/85)

Subject: Butter at lower prices

In the context of its proposals for disposing of surplus butter, can the Commission tell me if they have considered the possibility of extending Community Regulation No 2990/82¹

¹ OJ L 314 of 10 November 1982, p. 26.

to allow pensioners and others receiving social benefit payments to buy butter at lower prices? Does the Commission not agree that by extending the regulation to those groups and increasing the subsidy to 20 pence per 250 grammes, additional sales of 50 000 tonnes could be achieved in the United Kingdom, for instance, and that similar increases could be achieved elsewhere in the Community at a much lower cost than that of the Christmas butter scheme?

Answer

The strategy for the disposal of surpluses in the animal sector — which I presented to Parliament's Committee on Agriculture on 26 September 1985 — concerned existing surpluses, particularly the stocks of old butter. These are now a major concern as they account for a growing proportion of stocks.

This does not mean that the Commission would be averse to considering the possibility of extending Regulation (EEC) No 2990/82 on the sale of butter at reduced prices to those receiving social benefit payments. The subsidy which is currently granted under this scheme is 80 ECU per 100 kg, or approximately 25% of the intervention price. The regulation is still in operation only in Ireland.

The Commission is in favour of any extension of the scheme, provided that it can be shown that an extension will produce additional butter sales which will be high enough to justify the extra cost. Research is now being carried out in the United Kingdom to check the theory put forward by the honourable Member. The Commission is in no doubt that an action of this kind is less costly than a Christmas butter scheme.

Be that as it may, the Commission must point out the complexity of administering the distribution of low-cost butter to certain sectors of the population. This is the responsibility of the Member States, who for their part must consider the appropriateness of applying the regulation.

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Question No 55, by Mr Iversen (H-716/85/rev).

Subject: Coal imports from South Africa

The Commission's answer to Question No 1002/85¹ shows that the Community imported 19.6 million tonnes of coal from South Africa in 1984, and it is estimated that 19.3 million tonnes will be imported in 1985. In view of this summer's events in South Africa and the UN call for trade restrictions *vis-à-vis* that country, does the Commission not feel that it is extremely unfortunate that in 1985 Community Member States will import the same amount of coal from South Africa as in 1984, and what conclusions does the Commission intend to draw from this?

Answer

The Community, and in particular the Commission, has on many occasions expressed its belief that the apartheid policy, as practiced by the current South African Government, should be abandoned forthwith. The Community should, furthermore, do all in its power to bring about its rapid end by peaceful means.

The Commission welcomed the decision taken by the Member States on 10 September, in the light of the report from the Troika Mission to South Africa, to harmonize attitudes in respect of both restrictive and positive measures applied to South Africa. The consensus achieved does not, however, extend to a restriction on coal imports from South Africa.

¹ OJ C 291 of 13 November 1985, p. 11.

Under Article 71 of the ECSC Treaty, trade matters concerning coal imports fall within the competence of the individual governments of the Member States. In this context, certain Member States have taken decisions in respect of restrictions on coal imports, namely Denmark and France. Under the measures taken by Nordic countries, Denmark has encouraged voluntary reductions in imports of coal. France recently announced that in the medium term, it intended to reduce its dependence on South African coal gradually, by not renewing existing contracts now due for renewal.

The Commission would remind the honourable Member that any further political decision in respect of restrictive measures will lie within the responsibilities of the Member States in the framework of European Political Cooperation.

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Question No 57, by Mr Raftery (H-720/85)

Subject: US restrictions on the sale and movement of goods within the Community

Is the Commission aware that American export regulations require that US export licence approval be sought, before certain 'advanced systems' in the computer industry, can be sold or moved within the Community and is the Commission further aware that these so-called 'advanced systems' are in fact standard business machines of no military significance — if so, would the Commission agree that these restrictions by a third country are not only in breach of the Treaties, but are an encroachment of and insult to the sovereignty of this Community and what action will the Commission take as a matter of urgency to bring this situation to an end?

Answer

The Community is well aware of the extraterritorial effects of US Government restrictions on the trade in high technology products including some computers.

The Commission agrees that in practice these restrictions are being applied to civilian products which should normally benefit from the liberal trade rules which apply within the common market and, by virtue of the GATT, internationally.

The Commission has already made appropriate representations to the US administration and is keeping the situation under permanent review. (The Commission's reply to written question No 1122/85 by Mr Schmid also refers to this.)

As the honourable Member of the Parliament may be aware, the Member States concerned are cooperating with the US in the context of Cocom to limit and control the unauthorised transfer of technology to the Soviet Union and Eastern Europe, when this would have a direct effect on security.

One of the Member States, the United Kingdom, has enacted legislation (the 'Protection of Trading Interests Act 1980') to counteract the extraterritorial effect of foreign laws. It is understood that one other Member State may be considering similar legislation.

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Question No 58, by Mr Toussaint (H-721/85)

Subject: Strengthening of European monetary cohesion

Can the Commission give the reasons why the German and British Governments opposed proposals to strengthen the EMS at the last meeting of Finance Ministers? Despite this

rejection, how does it plan to encourage the use of the ECU by European economic operators?

Answer

The aim of the Commission proposals was to 'legitimize' the monetary aspect of the construction of Europe by including it in the Treaty of Rome. It is the Commission's view that this objective is consistent with the orderly creation of a genuine internal market.

The thrust of the Commission's proposals was not therefore to implement concrete measures to strengthen the EMS in its present form but simply to incorporate the system in the texts governing the Community in order to ensure a more formal legal basis and to provide a framework for its development, while leaving present powers unchanged.

In spite of the amendments which the Commission made to its original draft, certain Member States raised objections at the Council meeting of 18 November last. They argued in particular that reference to the EMS and to economic and monetary union within the body of the Treaty would involve institutional and legal consequences of a scope which they could not accept. They expressed the specific fear that further transfers of sovereignty in monetary matters could be implemented solely on the basis of Article 245 of the Treaty.

Agreement was reached at the European Council meeting in Luxembourg on the principle whereby the development of monetary cooperation will be carried out with respect for existing competence and powers as long as institutional modifications do not prove necessary.

The question of the private use of the ECU is different and could not be tackled directly in the Commission's proposals, since the final decision rests with the market itself. The Commission has always believed, however, that use of the ECU should be encouraged. The Commission itself uses the ECU and continues to work towards harmonization of the status of the ECU in the various Member States. It also seeks to encourage and support any initiative likely to promote greater use of the ECU by European economic operators.

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Question No 60, by Mr Newton Dunn (H-727/85)

Subject: Consequences of the Czech-Hungarian hydroelectric scheme on the Danube

The intergovernmental agreement between Czechoslovakia and Hungary on the Gabčíkovo-Nagymaros Watersteps for 840 MW hydroelectric installations is likely to produce considerable upstream and downstream consequences. From its observation of the proceedings of the United Nations Economic Commission for Europe, will the Commission indicate the consequences for transport, society, the economy and the ecology of this project?

Answer

The Commission departments do not have precise information on the technical aspects of the project to which the honourable Member refers. They are therefore unable to comment on the various consequences of the Czech-Hungarian project in question. The Commission departments would be grateful for any information which the honourable Member might be able to supply on this matter.

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II. *Questions to the Council**Question No 61, by Mr Raftery (H-559/85)*

Subject: EMS

Will the Presidency state what measures it has taken and what further action it could suggest in order to persuade two Member States, Greece and the United Kingdom, to become full members of the European Monetary System?

Answer

When the European Monetary System was created, there was specific provision to allow any Member State which did not participate from the outset to join the system at a later date. Any decision to apply for membership of the EMS lies solely with the governments concerned.

It is the hope of the Presidency that suitable conditions for the participation of the pound sterling and the drachma will be attained as soon as possible.

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Question No 62, by Mr McCartin (H-586/85)

Subject: Free movement of the people of Europe

Does the Council consider that the severe restrictions and impositions imposed by the British Authorities, on the grounds of security, on travellers between the two parts of Ireland, are no longer justified within a 'citizens Europe'? Does the Council think that this practice is an infringement on the free movement of the people of Europe?

Answer

The Council is not required to rule on questions concerning possible infringement of the Treaty. It is for the Commission to ensure that the provisions of the Treaties establishing the European Communities are implemented, as well as the provisions adopted by the institutions under those Treaties, including articles laying down restrictions or derogations justified on grounds of public policy, public security or public health.

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Question No 65, by Mrs Lemass (H-645/85)

Subject: EEC Poverty Programme

Can the Council state what progress has been made by the various Member States after the adoption of a Council Decision in December 1984 on the combating of poverty in backward urban and rural areas with priority for some categories of the population — the long-term unemployed, unemployed young people, old people, one-parent families, second-generation immigrants, refugees, returning emigrants and so-called fringe groups?

Answer

As the honourable Member will be aware, the anti-poverty programme is already under way: the Commission approved 61 action-research projects at the beginning of October.

The projects are allocated among all Member States and cover underprivileged urban districts, impoverished rural areas, the unemployed, the elderly, single parent families and migrants. They account for 18 million ECU out of a budget of 25 million ECU for this second programme.

Under the terms of the Decision referred to by the honourable Member, at the end of 1987 the Commission will submit to the Council and the European Parliament an interim report on the first available results of the various operations carried out with financial assistance from the Community.

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Question No 66, by Mrs Castle (H-648/85)

Subject: Famine in Africa

In a recent statement on implementation of the Dublin Plan the Commission states that this is certainly not the time to do away with the strategic emergency reserve of 500 000 tonnes of grain-equivalent (165 million ECU) which had been proposed; yet the 'Budget Council' in September cut this reserve out of the 1986 budget. In view of the continuing reports coming out of Africa that further help until after next year's harvest is still needed, will the Council give an assurance that this reserve will be reinstated?

Answer

During its first reading of the draft budget on 14 November the European Parliament adopted Amendment No 657 creating a new Article 928 'Emergency reserve' to which it allocated a p.m. on the line and an amount of 10 000 ECU in Chapter 100 — Provisional reserve.

Referring to this amendment during its second reading of the draft budget on 26 and 27 November 1985, the Council also provided for a reserve with a p.m. on the line, though with an appropriation of 5.01 million ECU in Chapter 100 both in payment and in commitment appropriations.

The Council considers that the appropriations which it has entered for this purpose in the draft budget are an adequate basis for implementing Community food aid. It will continue to monitor carefully developments in the countries concerned and is prepared to review the measures it has taken in the light of the needs which arise.

The position of the Budget Council during the second reading is therefore in line with the conclusions of the Milan European Council and of the Development Cooperation Council of 4 November 1985.

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Question No 67, by Mrs Dury (H-654/85)

Subject: Easing border formalities for European citizens

Passengers travelling from Brussels to Strasbourg by train have to leave the restaurant car in Luxembourg, apparently because Luxembourg customs officials have to carry out checks.

Will the Council indicate which regulations these measures are based on and does it not feel that they are incompatible with the Community's efforts to ease border formalities for European citizens?

Answer

The Council is not, as part of its responsibilities under the Treaty, required to express a position on measures adopted by individual Member States pursuant to regulations falling within the scope of the Treaty. It is in fact for the Commission, in its capacity as guardian of the Treaties, to ensure that such measures comply with Community law.

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Question No 73, by Mr Howell (H-635/85)

Subject: The 'Peoples Europe' recommendations

If the President-in-Office of the Council will list his priorities for the term of his tenure of the office and what progress he is making towards those objectives?

Answer

The Council is fully aware of the importance that the European Parliament attaches to the recommendations of the Committee on a People's Europe. The European Council itself — at Fontainebleau, Dublin, Brussels and Milan — has emphasized its own interest in these matters.

The President-in-Office of the Council has ensured that work on this dossier has been actively pursued, and I can confirm that some progress has already been made by this stage in the proceedings on a number of aspects, i.e.: duty-free entry for books and newspapers, the taxation of frontier workers, television and cinema co-productions, certain health-related matters, e.g. kidney dialysis, toxicology and the Emergency Health Card, problems associated with the right of residence, particularly for students and retired people, and measures to reduce controls at borders.

The Presidency applied itself unstintingly during the Intergovernmental Conference to the task of attaining the objectives set forth by the Committee on a People's Europe in its Report. You will understand, however, that the Presidency cannot at present give more definite information on a time limit for adoption of any of the proposals submitted for the Council's consideration.

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Question No 74, by Mr Ephremidis (H-643/85)

Subject: Crisis in the footwear manufacturing sector in Greece

The footwear manufacturing sector in Greece is going through a serious crisis. The main reason for this is that since 1981 — the year of Greek accession to the EEC — there has been a huge increase in imports (55%), particularly from EEC countries and countries which have preferential arrangements with the Community, coupled with a simultaneous decline in exports (45%).

As a result, local production fell from 30 930 000 pairs in 1981 to 20 000 000 pairs in 1984 while, in the same period, some 800 undertakings closed in the Athens region alone with the loss of between 7 and 10 000 jobs.

Given that the crisis which the sector is going through is expected to grow worse, reaching a peak after 1 January 1986 when taxes on the import of hides are completely abolished, what measure does the Council intend to take to ensure that the sector is not

brought to a standstill and to protect the jobs of the 40 000 persons employed in the sector?

Answer

I can only inform the honourable Member that the Council has received no proposal from the Commission on this subject. It is in any event to the Commission that the Greek authorities would send any information they considered appropriate in this connection.

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Question No 77, by Mr Chambeiron (H-671/85)

Subject: Early introduction of Tokyo Round tariff reductions

Without any guarantee that the EEC's trading partners will introduce similar reductions, the Council has taken a decision of principle to advance the implementation of the latest Tokyo Round tariff reductions to 1 January 1986 (instead of 1 January 1987). How can the Council justify this decision which will reduce Community revenue?

Answer

The decision to advance by one year the implementation of the Tokyo Round tariff reductions scheduled for 1 January 1987 is motivated by trade policy considerations.

This decision is to be seen as contributing to safeguarding and strengthening the system of trade, i.e. maintaining free trade in which the Community, as the greatest trading power in the world, has a vital interest.

It is important to bolster confidence in the multilateral trade system at a time when protectionist pressure is building up in certain countries and when the launching of a fresh cycle of trade negotiations is under discussion within GATT.

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Question No 80, by Mrs Banotti (H-676/85)

Subject: EC Office in Central America

Can the Council please say what action has been taken on the European Parliament's request for the establishment of an EC Office in Central America which was adopted at the June 1985 part-session?

Answer

At the Ministerial Conference between the EEC and Central America held in Luxembourg on 11 and 12 November 1985, the Commission announced the recent opening in San José, Costa Rica of its Latin American Delegation's Office for Central America. This office will also be responsible for relations with organizations concerned with economic integration in the Central American region.

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Question No 81, by Mr Chiabrando (H-680/85)

Subject: Relaxation of transit formalities at the Community's internal frontiers and, in particular, at the Val Roja frontier between Italy and France

Given the discrepancy between the policy of opening up internal frontiers and the actual situation, can the Council indicate what obstacles continue to prevent a relaxation of the transit formalities at the Community's internal frontiers, particularly at the Val Roja double crossing-point, which Italian citizens use solely for entry into Piedmont and Liguria and which therefore should be the first to be dismantled?

Answer

Controls at the Community's internal frontiers are maintained chiefly for tax, public health and plant disease reasons and in order to combat terrorism, drug trafficking and crime.

The particular case to which the honourable Member refers concerns the journey from Piedmont to Liguria and *vice versa*. This journey crosses part of French territory and is consequently subject to the same transit formalities at the frontiers as exist at any other crossing-point between two Community Member States, particularly since in the case in point it is possible to remain in French territory.

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Question No 82, by Mr Mattina (H-686/85)

Subject: Adoption of the proposal for a Directive on EEC-accepted plant protection products

In view of the fact that the proposal for a Directive concerning the placing of EEC-accepted plant protection products on the market was submitted to the Council by the Commission on 4 August 1976,¹ can the Council say what has prevented the adoption of this proposal for a Directive during the intervening nine years and whether it can give an assurance that the proposal for a Directive will be adopted by 1 January 1986, the date set in the Council Resolution of 10 May 1984?²

Answer

In replying to the honourable Member, I should like to refer to the answer given in April to a similar question tabled by Mrs Dury (H-64/85). The Council Resolution of 10 May 1984 establishing a programme of work in the field of the harmonization of veterinary, plant health and animal feedingstuffs legislation indicated in fact 1 January 1986 as the date of adoption of the relevant Directive on the approval of plant protection products. Since then, however, a new deadline — the end of 1986 — has been set as part of the Commission's action programme on the introduction of the internal market. The Council is actively pursuing examination of this proposal with the aim of introducing Community legislation before the new deadline.

The reason the proposal has not yet been adopted is that major difficulties have arisen, particularly as regards agreement on the principle of granting acceptance for plant protection products at Community level. No consensus has yet been achieved on the guarantees which authorizations valid throughout the whole territory of the Community, with its geographical and climatic differences, should provide in particular as regards the effec-

¹ OJ C 212 of 9 September 1976.

² OJ C 134 of 22 May 1984.

tiveness of products and the protection of human and animal health, not forgetting the protection of the environment.

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Question No 83, by Mr Ulburghs (H-691/85)

Subject: Naturalization procedures

Those who oppose giving immigrants the right to vote in local elections frequently put forward the argument that it would be better to improve and speed up naturalization procedures. In my own country, Belgium, this procedure still takes from one year to eighteen months on average. Does the Council envisage taking any action to ensure that naturalization procedures are speeded up in all the Member States of the Community?

Answer

The Council is not empowered to intervene in naturalization procedures, which are the responsibility of the Member States' competent authorities.

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Question No 84, by Mr Adamou (H-696/85)

Subject: Electoral rights for immigrants

For decades thousands of immigrants including 350 000 Greeks have been living and working in EEC Member States. Although all these immigrants have by their work contributed decisively to the creation of wealth in the societies of their host countries, they have remained for all this time excluded from public life and unable to exercise basic civil rights.

What measures does the Council intend taking to enable immigrants to obtain the right to vote and to stand for election at least in local council elections in the localities where they live and to participate in parliamentary elections in their countries of origin by voting in embassies and consulates?

Answer

With regard to the right of migrant workers who are nationals of the Member States to vote and stand for election at local or other elections in the host country, the Council, following its Resolution of 16 July 1985, is awaiting proposals from the Commission.

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Question No 85, by Mr Alavanos (H-701/85)

Subject: Restrictions on the movement of capital

Seeing that one of the principal reasons why Greece is having to invoke Articles 108-109 of the Treaty of Rome is the country's difficult balance of payments situation, will the Council agree to the non-removal of restrictions on the movement of capital after 31 December 1985, the date of expiry of the transitional period provided for in the Treaty of Accession of Greece to the EEC?

Answer

The problem raised by the honourable Member is a matter for the Commission rather than the Council. When a Member State is in difficulties or is seriously threatened with difficulties as regards its balance of payments, it is for the Commission to authorize that State to take protective measures, the conditions and details of which are determined by the Commission. This is the procedure laid down in Article 108(3) of the Treaty.

I can, however, tell you that on 22 November 1985 the Commission decided to authorize Greece:

- to maintain temporarily, after 31 December 1985, the restriction on transactions by Greek residents under the heading of free movement of capital;
- to restrict the export of currency for the purposes of tourist travel.

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Question No 86, by Mrs van Hemeldonck (H-715/85)

Subject: Harmonization of speed limits

The Commission is shortly to submit proposals to the Council on the harmonization of speed limits in the Community.¹ What are the Council's views on the possibility of reaching a compromise in this area, in view of the Federal Republic of Germany's recent refusal to introduce a speed limit?

Answer

The Council has not yet received the proposal which the Commission undertook to submit before the end of 1985 concerning the harmonization of Member States' measures regarding speed limits for road vehicles. The Council will not fail to examine the proposal in detail once it has been received, in the light in particular of the opinion the European Parliament will be asked to deliver.

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Question No 87, by Mr Iversen (H-717/85)

Subject: Surplus food stocks

Has the Council discussed ways of disposing of the large surplus food stocks in the coming years and can it indicate how much of the surplus will be eliminated if the Commission's ideas contained in the Green Paper are implemented, in particular with regard to cereals policy?

Answer

The question raised by the honourable Member is in point of fact one of the main issues in the discussions that have now been taking place for several months on the Green Paper presented by the Commission last July.

The European Parliament is also examining this document and will be debating it shortly. Within the next few days, the Commission will be informing the Council of the outcome

¹ See White Paper on the internal market and my Written Question No 1204/85 to the Commission.

of its consultations over the past months with the various parties concerned about the guidelines which it is proposing. The Council will discuss this next week, on 19 December. It would therefore be premature at this stage to reveal the Council's thinking on these problems, particularly as regards the disposal of surpluses, especially as the Council is awaiting the opinion on the Green Paper which Parliament is expected to give in January.

I would, however, like to make it clear here and now that the problem of surpluses cannot be settled simply and solely by finding outlets for the products in question. What is necessary is to implement a balanced set of measures affecting both production and marketing.

With that in mind, the Council has for several years been pursuing a prudent price policy and has introduced into the common agricultural policy the instrument of producers' co-responsibility. In the milk sector it has in addition opted for a quota system.

This idea of a balanced set of measures likely to reduce surplus production while maintaining potential outlets has recently been elaborated on by the Commission in its memorandum on the modernization of the common organization of the market in cereals. In this, the Commission advocates a programme based upon a rigorous price policy, the promotion of improved quality, a streamlined intervention system and the introduction of a co-responsibility levy.

This memorandum, together with the conclusions to be drawn by the Commission following discussions about the Green Paper will then be examined by the Council on 19 December. Given the urgency of the problems in question, the Council will do all it can to find ways of acting as quickly as possible.

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III. Questions to the Foreign Ministers

Question No 89, by Mr Raftery (H-563/85)

Subject: World Court

What is the view of the Foreign Ministers on the status of the World Court in the Hague, given the United States' decision no longer to accept its compulsory jurisdiction?

Answer

The question raised by the honourable Member has not been discussed by the Foreign Ministers meeting in European political cooperation.

Furthermore, the fact that a certain number of States do not accept the compulsory jurisdiction of the World Court does not affect its status, as acceptance of the Court's compulsory jurisdiction is optional under Article 36 of its statute.

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Question No 91, by Mrs Tongue (H-683/85)

Subject: Measures to be taken against the apartheid regime

During the recent discussions among the Foreign Ministers concerning measures to be taken against the apartheid regime in South Africa, what steps were taken to implement and enforce both mandatory and new measures to totally stem any cooperation between the Member States and South Africa in arms, related materials and technologies applicable

to maintaining apartheid and the fighting of illegal wars of occupation and, following the September 1985 meeting of the Foreign Ministers, what legislative steps have Member States taken to extend arms embargo measures to cover para-military, internal security, and sensitive equipment?

Answer

On 10 September 1985 the Foreign Ministers of the Ten and of Spain and Portugal meeting in Luxembourg decided to adopt a united approach on a certain number of restrictive and positive measures *vis-à-vis* South Africa. The implementation of these measures at national level, including those mentioned by the honourable Member, is the responsibility of each individual Member State.

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Question No 93, by Mr Ephremidis (H-699/85)

Subject: Ban on news coverage in South Africa

The South African régime has now decided to declare a total ban on news coverage in that country by journalists, press cameramen and TV reporters. The racist régime in Pretoria believes that in this way it will be able to silence world public opinion by concealing what is really taking place.

What specific measures do the Foreign Ministers intend taking to induce the racist régime to lift this ban?

Answer

On 13 November 1985 the Ten, together with Spain and Portugal, made representations to the South African authorities to express their deep concern at the restrictions recently announced by the South African Government with regard to the press in that country, at the violent crowd control methods used by the South African police and at the continued detention of numerous political and trade union leaders.

It is the opinion of the Ten and of Spain and Portugal that these controversial measures threaten to continue the spiral of violence and counter-violence and thus to jeopardize the prospects of a genuine internal dialogue between the real representatives of all sectors of South African society.

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Question No 94, by Mr Alavanos (H-702/85)

Subject: Human rights in Iran

Thousands of political detainees are subjected to brutal psychological and physical torture in Iranian prisons so that many of them die. The régime of the Islamic Republic is also very active in passing death sentences.

Recently Mr R. Tambar — a prominent opponent of the Shah — was executed after being brutally tortured, together with 50 other active members of the democratic movement in Iran, and there is concern that fresh executions of opponents of the régime may be imminent.

What measures do the Foreign Ministers intend taking so that the torture and execution of opponents by the Iranian régime may cease, degrading practices which constitute a flagrant violation of human rights?

Answer

The unhappy situation which prevails in Iran with regard to the respect of human rights is a matter of concern to the Ten, who have not failed — and who will not fail — to express their profound anxiety in their contacts with the Iranian authorities.

The Member States of the Ten, who are members of the UN Committee on Human Rights, have supported in recent years the resolutions on human rights in Iran. Furthermore, during the 40th session of the UN General Assembly the Presidency, speaking on behalf of the Twelve, dwelt on the issue of human rights in Iran during a UN Third Committee debate on violations of human rights throughout the world. Lastly, every Member State voted for the resolution on Iran which was adopted by the General Assembly.

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Question No 95, by Mr Ford (H-709/85)

Subject: Export of babies' skulls from India

Recent press reports have indicated an export trade from India to 21 countries of babies' skulls, obtained in many cases by criminal means, including murder. What steps are being taken by the Foreign Ministers to stamp out this evil trade and what representation are they making to the Indian Government?

Answer

The press reports referred to by the honourable Member have not been discussed within the framework of European political cooperation.

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Question No 96, by Mr Collins (H-713/85)

Subject: South Africa

In their Luxembourg Agreement following the European mission to South Africa the Foreign Ministers said that 'a rigorously controlled embargo on imports of arms and paramilitary equipment from the RSA' should be undertaken by the Ten and Spain and Portugal. Will the Foreign Ministers say if they had any particular Member States or States in mind when they included this as part of their conclusions and will they say to what extent arms have been imported into the European Community from South Africa?

Answer

In deciding on 10 September 1985 to impose a rigorously controlled embargo on imports of arms and paramilitary equipment from South Africa, the Foreign Ministers of the Ten and Spain and Portugal were implementing a recommendation made in UN Security Council Resolution No 558 of 13 December 1984 which called on all States to refrain from importing arms, ammunition and all types of military vehicles produced in South Africa. In addition, as the honourable Member will be aware, this measure is part of a package of restrictive and constructive measures uniformly applied by the Ten and Spain and Portugal since 10 September 1985 to demonstrate Europe's determination to contribute to the abolition of apartheid.

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Question No 97, by Mr Iversen (H-718/85)

Subject: Purchases of coal in South Africa

On 13 November 1985 the French Prime Minister, Mr Laurent Fabius, announced that the State-owned electricity company, Electricité et Charbonnages de France, was to stop buying coal from South Africa as from 31 December 1985. The Danish Government had previously adopted similar measures. Can the Foreign Ministers meeting in political cooperation indicate their views on such action to halt purchases of coal from South Africa and on measures associated with the resolutions on South Africa adopted in European political cooperation, and are other countries to be encouraged to take similar action?

Answer

On 10 September 1985 the Foreign Ministers of the Ten and Spain and Portugal decided to harmonize their position on a certain number of restrictive and constructive measures *vis-à-vis* South Africa. The measure referred to by the honourable Member did not figure among these joint measures.

It should be remembered, however, that the Foreign Ministers reserved the right, should significant progress not be forthcoming within a reasonable time, to review their position and that the issue of other measures, including sanctions, is still on the agenda.

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IN THE CHAIR: MR SEEFELD

Vice-President

(The sitting was opened at 10 a.m.)

1. *Approval of the minutes*

President. — The minutes of proceedings of yesterday's sitting have been distributed. Are there any comments?

Mr Cryer (S). — Mr President, I refer to page 8 of the minutes. At the top of that page, it says that Mr Howell 'spoke concerning a collection on behalf of Oxfam held that morning on Parliament premises'. What I cannot find, Mr President, is Mr Howell's declaration of financial interest. On page 75 of the Rules of Procedure, Annex I says:

Before speaking in Parliament or in one of its bodies, any Member who has a direct financial interest in the subject under debate shall disclose this interest to the meeting orally.

I understand that Mr Howell is a wealthy farmer, that he will therefore receive money from the common agricultural policy. I understand that he has intervention stores and will therefore receive money for storing food, and since he raised the point of order on a collection which was under the title of 'moving mountains to get rid of the food mountains', he had a direct financial interest and should have declared it. I hope you will urge all Members of this House to make sure that, in all our minutes, wherever they have a direct financial interest it is declared, particularly in the case of such a disgraceful incident when that thuggish barley baron actually attacks people who are starving when he is a wealthy farmer living literally off the fat of the land.

Lady Elles (ED). — Mr President, I was not aware of the details of this activity, but I strongly deplore the action of Mr Cryer, who did not even have the

Elles

decency and courtesy to inform Mr Howell that he was going to attack him this morning. Mr Howell is not in the Chamber at the moment to defend himself. I strongly attack Mr Cryer for behaving in this totally unconstitutional and discourteous manner. It is absolutely scandalous. The people who were collecting yesterday were not acting on behalf of Oxfam, they dissociated themselves from this activity of the British Labour Group, and the Quaestors had in fact refused the British Labour group the right to do what they did yesterday.

This is all I wish to say at this moment, but I think that this should be taken up by the President and Mr Howell should be able to respond on the floor of the House to the gross accusations being made by Mr Cryer.

President. — Ladies and gentlemen, I have noticed all those who want to speak but I would ask you to remember that we have an agenda to get through and that the time at our disposal is somewhat limited.

Mr Cryer has pointed out that one or two items in the minutes have apparently not been correctly recorded and he alleges that Mr Howell infringed the rules which we drew up together. I shall have this checked. There is no point in going into the matter here in the Chamber. I shall take up Mr Cryer's suggestion that all the Members be reminded again to declare their financial interest or involvement.

I should now be grateful if the House did not develop this matter any further at this point.

Mr Falconer (S). — Mr President, it is not on the point that Mr Cryer raised, it is on the point that Lady Elles made.

I stated quite clearly yesterday that we contacted the Edinburgh organizer, who was on a walk between one food mountain and another in my constituency and got his support — no letters or transactions involved — for a collection to be made, the proceeds of which would be handed over to Oxfam — or Belgian Oxfam, because that is a European famine relief organization. I take exception, Lady Elles, to accusations which you are again making in this Chamber. I believe quite sincerely that, given the attitude of Mr Howell yesterday, the Labour Members' actions were completely vindicated. I ask you, Lady Elles, to withdraw that accusation.

Lady Elles (ED). — Mr President, of course I refuse to withdraw anything that I said just a few minutes ago. I would ask for this matter to go to the President. The British Labour group did not observe the rule decided by the Quaestors. This is a matter for discipline.

Mr Hughes (S.) — Mr President, on a matter arising from the minutes of last night.

You will note from the minutes that it was agreed last night during Question Time that a statement would be made to the House this morning as to when time would be set aside under Rule 44(5) for questions to the Foreign Ministers. An attempt was made last night to devote a third of the half-hour available for Question Time — only 10 minutes, that is — to the Foreign Ministers. It was agreed in the end though, by this House, that a statement should be made today and that further time should be made available in the agenda this week for questions to the Foreign Ministers acting in political cooperation.

It was suggested last night that the President-in-Office might have difficulty in attending. I hope that that will not stand in the way: the President-in-Office had sufficient warning last night. This Question Time to the Foreign Ministers is an important part of our proceedings. It is our opportunity to hold them accountable for their actions, and I hope that a statement will be made urgently as to when time will be made available.

President. — Mr Hughes, ladies and gentlemen, I shall remind you briefly of what happened yesterday. Parliament decided to continue the debate on the summit after half past five and to take a vote at seven o'clock. The sitting was to be prolonged until nine o'clock in order to accommodate Question Time. Parliament then decided during Question Time to use the remaining time only for questions to the Council. Since the Council cannot be present today, Mr Hughes, it is not possible to carry on with Question Time. Before there is any further discussion, I would ask you all to remember the fact that there is nothing in the Rules of Procedure about the length of Question Time. I can simply repeat that Parliament exercised its sovereign right yesterday to change the agenda and that — as I said — the Council cannot be here today.

Mr Ford (S). — On the same issue, Mr President, page 18 of the English text of the minutes does actually say that the President 'suggested that all the available time should be used for questions to the Council'. That was rejected, as it says in the minutes, so what you have just stated is not, in fact, correct. It was made clear last night by the House — and as we are told so often by President Pflimlin, and I agree with him, the House is the sovereign body — that there should be a further period of Question Time devoted to the Foreign Ministers meeting in political cooperation. That is required under Rule 44(5). It says that questions shall be put to the Council and Foreign Ministers during Question Time. There has been no time at all — not one minute, not one second — given to that section of Question Time. I suggest, therefore, that we should have an urgent statement from yourself as to when that time is proposed, because at the moment the

Ford

House has not agreed to abandon that part of its Rules.

President. — The situation is as I described it. Parliament decided that questions would be put only to the Council. This happened in the reduced time available. I cannot change anything; that is what happened yesterday. If you have a different opinion, we shall clarify the matter. In the meantime it is my view that the version I have given is the correct one.

(Parliament approved the minutes)¹

2. Topical and urgent Debate

Human rights

President. — The next item is the joint debate on four motions for resolutions on human rights:

- motion for a resolution (Doc. B2-1304/85), tabled by Mr Poettering and others on behalf of the Group of the European People's Party, Sir Henry Plumb and others on behalf of the European Democratic Group and Mrs Squarcialupi, on the situation in Afghanistan;
- motion for a resolution (Doc. B2-1318/85), tabled by Mrs Heinrich and others on behalf of the Rainbow Group, on the importance of refusing to extradite political prisoners to Turkey;
- motion for a resolution (Doc. B2-1321/85), tabled by Mr Prag on behalf of the European Democratic Group, on the refusal of a Soviet exit visa to the Lurje family;
- motion for a resolution (Doc. B2-1331/85), tabled by Mr van der Lek and Mrs Piermont on behalf of the Rainbow Group and Mrs van den Heuvel and Mr Balfe on behalf of the Socialist Group, on East Timor.

Mr Poettering (PPE). — *(DE)* Mr President, ladies and gentlemen. I wish to ask to you on this urgent motion for a resolution on the subject of Afghanistan. We have asked for this topical and urgent debate because, in our opinion, prompt action is vital. A fortnight ago, I spent just under a week in the Afghanistan-Pakistan border region and what I experienced there, in many conversations with refugees and freedom fighters, was so horrifying as to lead me to the conclusion that Afghanistan and the terrible, cruel war

being waged there should be permanently on the European political agenda.

(Applause)

Just four weeks ago, we were impressed when the United Nations passed a resolution by 122 votes calling on the Soviet invasion troops to withdraw from Afghanistan. Yet only a few days ago, Professor Elmar Cora, appointed by the United Nations to submit a report on human rights in Afghanistan, presented his disturbing report to the UN, and because of it he has been most vilely insulted by the Soviet Union. I should like to make it clear that my experiences, based on my conversations with Afghans, confirm everything that Professor Elmar Cora reported to the United Nations Commission on Human Rights.

A merciless war is being waged against the civilian population in Afghanistan. There are 125 000 Soviet troops in Afghanistan and the civilian population is being hounded out of the rural areas. Over 4 million of the total population of just under 15 million are now refugees abroad, over 3 million of them on Pakistani soil, and the population and Government of Pakistan are making enormous efforts to support them.

I had it confirmed that the Soviet invasion forces are destroying crops in Afghanistan, that the irrigation system is also being destroyed and that toy bombs are being dropped from helicopters, causing the most terrible injuries to children who pick them up. I visited an International Red Cross hospital near Peshawar in Northern Pakistan and it was horrifying to see young freedom fighters who had lost arms and legs — and not only freedom fighters, but women and children, too, had the most terrible injuries.

Now to the main point of our motion; the charge against the Soviet Union. The Soviet Union will not allow the International Red Cross to provide medical help in Afghanistan. Consequently, approximately three quarters of the severely wounded freedom fighters die on the battle fields of Afghanistan, literally bleeding to death because the Soviet Union will not allow any medical help. We must demand that the Soviet Union at long last allow the International Red Cross to provide medical help for the wounded in Afghanistan, to save the lives of these people. This is a demand aimed specifically at the Soviet Government now that the Geneva Summit between Mr Gorbachev and Mr Reagan should have brought fresh impetus to the Afghanistan question. We call upon the Soviet Union to allow the International Red Cross into Afghanistan, to help the wounded.

The second demand is addressed to ourselves. I am delighted that Commissioner Natali, who is responsible for these matters, is present today. Less and less food aid from the European Community countries is going to the refugees in Pakistan. This is irresponsible!

¹ Documents received — Written declaration (Rule 49): see Minutes.

Poettering

The food stores of Europe are full. We must not allow food aid for refugees to be cut back. We in the European Community must make our contribution and continue to provide food aid, as we have done in previous years, for the people of Northern Pakistan and, even more, Afghanistan, need our help. I should be very grateful to you, Mr Natali, if you would do everything in your power to ensure that we Europeans do our duty and help the sorely-trying refugees and people of Afghanistan.

(Applause)

Mrs Heinrich (ARC). — *(DE)* Mr President, ladies and gentlemen. I am appealing to you on behalf of a Turkish National, Pasa Güven. Turkey has demanded the extradition of Mr Güven, who was arrested in Rome on 14 October. According to my information, France has granted Mr Güven political asylum.

This fact alone should make the Italian authorities refuse extradition. I have accordingly already appealed to Mr Craxi, President of the Italian Republic. The spirit of the European Community is being conjured up more and more often these days, yet, in my opinion, it makes nonsense of that spirit for the free movement of goods, money and labour to be introduced on the one hand, in the name of economic cooperation, if on the other hand the political asylum granted by one Member State — no matter to whom it is granted — is not respected in other Member States.

In any case, a terrible fate, and maybe even death, awaits Mr Güven if he is extradited to Turkey. Two months ago, this Parliament denounced the human rights violations taking place in Turkey, in particular torture and the lack of fair legal proceedings in independent courts, and accepted the Political Affairs Committee's report on Turkey.

Even the Federal Republic, whose authorities have in the past often not been squeamish about extraditing political opponents of the Turkish régime to face their torturers, instructed the Ministry of Justice a few weeks ago to approve no extraditions to Turkey, regardless of whether application had been made for asylum or not and whether there was any danger of political persecution or not.

I therefore beg this Parliament to intervene with the Italian authorities as proposed in my motion.

Mr Prag (ED). — Mr President, the reason for the great volume of demand for exit visas by Jews in the Soviet Union, as we know, is the chain of difficulties placed in the way of those who wish to practise their religion. For example, there is in Moscow, a city of half a million Jews, only one synagogue actually functioning. On the other hand, it is worth noting that the tendency to refuse visas to Jews has not been uniform.

The Soviet Union granted nearly 35 000 exit visas to Jews in 1972 and over 51 000 in 1979. By 1983 the figure was down to 1 300 and last year to 900.

I have taken the Lurje family as an example because it is typical of certain characteristics of the Soviet policy. First, families are split — they let Mrs Lurje's mother-in-law go to Israel and then held back the whole of the Lurje family in January 1980 after granting them an exit visa. Secondly, there is the persistent history of harassment of the family: warnings and threats from the KGB, the sacking from any responsible job of anyone who has applied for a visa and making it perfectly clear and obvious to them that they have no place and no future in Soviet society. That is the punishment they know they are going to have to accept for applying for an exit visa. All I am asking is that the Soviet Union carry out its obligations under the Helsinki Final Act and stop using pretexts to withhold visas. It is an extraordinary thing that a great country like the Soviet Union should indulge in the petty and capricious but still cruel harassment of those of its citizens who apply for exit visas. I hope that that policy will change and that is the sole purpose of the motion for a resolution which I have tabled.

I hope the House will vote unanimously for it.

Mr Van der Lek (ARC). — *(NL)* The war in East Timor could be termed the forgotten war. For the last ten years, the countries of the Community have paid scarcely any attention to these terrible events. Ten years ago today Indonesia invaded a land which is still officially Portuguese territory and whose inhabitants are still formally Portuguese citizens under the constitution of Portugal, a country which is to join the Community next month. The result has been a terrible war in which almost a third of the population has died. It was a neglected colony under Portugal, but reasonably prosperous. It is now a region stricken by starvation, oppression and torture. Indonesia refuses entry to those seeking to find out what is really happening. Fortunately, there have been some developments in recent months. Of great significance is the fact that Lord Avebury, chairman of the British Parliament's Human Rights Committee, has received, in response to a report he sent to the United Resistance Movement in East Timor, a reply clearly stating that this movement would very much like to receive the Secretary-General of the United Nations and speak to him, in East Timor or elsewhere. This invitation was officially communicated by Lord Avebury to the Secretary-General on 25 November 1985. In my view, all the countries of the Community bear a heavy responsibility. They provide Indonesia with development aid and continue to supply arms. This must come to an end. I think a statement by the Community would be very appropriate at this time.

Mrs Van den Heuvel (S). — *(NL)* Mr President, as Mr Van der Lek has pointed out, this is a sad anniver-

Van den Heuvel

sary. Ten years ago, the Indonesian Army invaded East Timor, a territory still under Portuguese sovereignty.

Incidentally, it is an interesting fact that just one day before the invasion the then American President, Mr Ford, visited Jakarta accompanied by his Secretary of State, Mr Kissinger, and it would not be going too far to assume that they at least knew of this invasion or perhaps even agreed to it. Naturally, the invasion was also prompted by the political situation in Portugal itself. In the "carnation" revolution in April 1974 a government had come to power which the Indonesian Government, and maybe the United States administration as well, evidently expected to pursue policies that would perhaps not be entirely to their liking.

The Indonesian Government initially tried to break the independence movement of East Timor — which the Portuguese Government supported, given that it had proclaimed the right of all peoples to self-determination — by exerting political pressure following the well-known motto of 'divide and rule'. When this did not succeed, when the people of East Timor showed they were firmly resolved to carry on the struggle for independence, Indonesia turned to other means, with terrible consequences for East Timor. 200 000 are currently estimated to have perished, a third of the island's population. They all died as a direct or indirect consequence of the actions of the Indonesian Army. Indonesia is holding the island under a reign of terror. Torture is commonplace. Amnesty International has recently published a further detailed report on this matter.

In addition, a settlement policy is being pursued in which Indonesian colonists are being brought into the country and East Timorese women being compulsorily sterilized in prisons and even hospitals — all with the aim of breaking both the resistance and the identity of the East Timor people. The European Parliament has pronounced on the situation in East Timor on several occasions, most recently in the annual report on human rights in the world, but another statement would certainly be justified.

Moreover, the country most involved, Portugal, which as I have said has sovereignty over this country under international law, is shortly to join our Community. This is all the more reason for the Community to recognize its responsibility, though in a different way than has hitherto been the case, since a number of Member States share the blame. The United Kingdom, France and my own country, The Netherlands, supply aircraft and ships that are used to suppress the people of East Timor — which can hardly be called a constructive contribution.

The twelve Member States of the Community should at last be prepared to be the peacemakers they have so often claimed to be in the past. With the right of the people of East Timor to self-determination as a start-

ing point, an initiative must be taken to help resolve this problem through negotiation. The Twelve should do their utmost to bring Indonesia and Fretilin to the negotiating table so as to bring a political solution within reach. I think that the Dutch Presidency, which as you know begins on 1 January, can play an important part, and I also believe the adoption of this resolution can make a contribution.

Mr Natali, Vice-President of the Commission. — (IT). Mr President, ladies and gentlemen, the Commission shares the feelings and solidarity expressed by Mr Poettering with regard to the sad events in Afghanistan. We realize that it is also and above all our duty to alleviate human suffering.

Consequently it is in this very area that yesterday we decided the food aid programme for 1986. This programme will be made available to the Afghan refugees through the Office of the United Nations High Commissioner for Refugees. It comprises 45 000 tonnes of cereal, 2 000 tonnes of sugar and 1 000 tonnes of butter oil. Furthermore, on the 16th and 17th of this month the Commission will attend an informal meeting on the world food programme to be held in Rome and which will also be attended by representatives of the Pakistani Government as well as by representatives of the institutions involved in the donor countries. The objective of the meeting is to establish a plan for the implementation of programmes envisaged in response to specific requests.

If, as was pointed out in the motion for a resolution, the fluctuation in aid witnessed over the past few years is a reflection of developments in overall availability and the staggering of priorities to take account of the specific needs of each of the various countries which have problems in common, the decision which we have taken today, and it is a decision which I think supports the opinion of Parliament, marks an increase in volume over the allocations for 1985 and I should point out that in the light of this the Commission is undertaking to maintain the level of its food aid to the Afghan refugees.

With your permission, Mr President, I should like to comment briefly on the problem of Eastern Timor. I should like to inform you that the Commission is continuing to follow closely the situation in Eastern Timor and has had regular contact on this subject with the Indonesian authorities, primarily with regard to problems affecting human rights. We are always prepared to support any initiative by the international Community aimed at putting an end to the current fighting provided that any such initiative is acceptable to all the parties involved.

President. — The debate is closed.

(By successive votes Parliament adopted resolutions Doc. B2-1304/85 and Doc. B2-1321/85 and rejected motions for resolutions Doc. B2-1318/85 and Doc. B2-1331/85)

Ango-Irish Agreement

President. — The next item is the joint debate on three motions for resolutions on the Anglo-Irish Agreement:

- motion for a resolution (Doc. B2-1306/85), tabled by Mr McCartin and others on behalf of the Group of the European People's Party, on the Anglo-Irish Agreement;
- motion for a resolution (Doc. B2-1333/85), tabled by Mr Hume and Mr Arndt on behalf of the Socialist Group, on the Anglo-Irish Agreement;
- motion for a resolution (Doc. B2-1335/85), tabled by Lady Elles on behalf of the European Democratic Group, on the Anglo-Irish summit.

Mr McCartin (PPE). — Mr President, in the brief space of time available to me I want first to make it clear to this House that we are not today celebrating the settlement of an old and complex problem which has existed in Ireland for a number of centuries. What we are asking this Parliament to do is to give support to an agreement arrived at between the Government of Ireland and the Government of the United Kingdom on a framework for progress towards reconciliation between two communities which for so long have been so bitterly divided.

Within the framework of this Agreement an inter-governmental conference has already been set up to deal on a regular basis with political matters, with economic and social matters and with security, as well as with the promotion of cross-border cooperation, which is a subject dear to the Members of this House.

We wish to state in the strongest possible terms that neither the government nor the people of Ireland see in the achievement of this agreement anything that could be interpreted as a victory or an advantage for one side over the other. Rather, we entertain the fervent hope that through this process, which may require years of patient labour, we will see achieved for all the people of Northern Ireland a period of stability and peace.

We accept the right of the majority of the people in Northern Ireland to criticize this agreement for the weaknesses that they perceive it to have. However, we expect them to recognize that it has been ratified by the democratically elected governments of both islands with a large majority in both parliaments and that it has been welcomed with open arms by the vast majority of all people in Ireland and in the United Kingdom.

With this sort of support we believe that terrorism — from whatever quarter — can be isolated and overcome, that the acknowledged capacity of the people of Northern Ireland for thrift and hard work can be exploited for the achievement of economic prosperity, social justice and peace. We salute the patient effort and the courageous statesmanship of the British Prime Minister, Mrs Thatcher, and the Taoiseach, Dr Garret FitzGerald, and we hope that their historic achievement will mark the achievement of a golden age in the relationship of the people of our two islands, a relationship which will be further assured by our joint membership of this European Community, this family of States.

Finally, I want to refer to our common motion for a resolution and to say that we believe that this Community has an important rôle to perform. With the moral support and the material assistance that this Community can give, prospects for the success of the agreement will be improved and the people of Northern Ireland can take their place and hold their own in a united Europe of the 1990s.

I want to acknowledge the support which has come from the individual governments of Europe as well as from the Community, and that includes Spain and Portugal, together with the governments of Japan, New Zealand and Canada and especially and above all the United States of America, whose President and Speaker of the House of Representatives have welcomed and supported this Agreement. I acknowledge that the United States through its President has offered generous aid in the context of an agreement in Northern Ireland, as they have done for Europe in troubled times in the past. They have offered generous economic aid, and for this we are very grateful.

This is a motion for a resolution which I believe can be accepted by all parties in this House. I believe it can be accepted by all representatives of any part of Ireland or any part of the European Economic Community. We designed it so. We believe that by supporting this no Irish politician of any tradition will lose face or surrender any aspirations.

Finally, Mr President, I have always sought — when the question of Northern Ireland came up — to avoid introducing into this House the bitterness which sometimes has crept into the political situation in Ireland in the past. I want to refer briefly to the attitude of the main opposition party in Ireland to this Agreement. I know that the attitude adopted by Fianna Fail has been adopted not by the national organization but by the Parliamentary Party. I think it is not going too far to say that what has happened there is that the leader of that party has had effectively to quell a mutiny within his own parliamentary party on this question.

McCartin

Finally, Mr President, I want to assure this House that I believe that if Fianna Fail were put into office in the morning, they would back this Agreement and seek to make it work, as we have done.

I would like to say to John Hume, the leader of the SDLP in Northern Ireland, that I admire the manner in which he has pursued the democratic interest in Northern Ireland over the years in the face of the bomb and the bullet . . .

(Applause)

. . . in the face of provocation from those who pretend to believe in democracy and yet deliberately ignore it. I commend his course of action and his example to persecuted minorities everywhere.

Mr Paisley is growling behind me. He does not believe in this Community. He will seek to use it this morning for his own ends.

(Applause)

Mr Hume (S). — Mr President, like the previous speaker, I agree that the time at our disposal is not adequate to deal with this subject. However, let us begin by recalling the problem to which the British/Irish Agreement is addressed, a problem which goes back centuries. The divisions among the people of Ireland, the violence, the killings go back centuries.

It is not an easy problem to solve. The past fifteen years have seen the worst violence in our history. In a population of a million and a half people, two and a half thousand have lost their lives in political violence. That is the equivalent, as I said recently, of 86 000 people in Britain. 20 000 have been maimed. That is the equivalent of three-quarters of a million people in Britain. Two new prisons have been built and a third is about to open. 11 billion pounds worth of damage has been done to the economy of Ireland, North and South. We have a generation of young people who have known nothing but violence and armed soldiers on their streets and who, when they reach the age of eighteen, find themselves in the highest unemployment in our history. 40% of our population are under 25. If that is not a time bomb for the future, what is? If that is not a challenge to the two prime ministers of the two countries involved to take urgent, decisive and joint action, then what is?

In examining this agreement, no-one should pretend that it is a final solution to the Irish problem. No agreement of itself can offer that. What it does offer is a framework in which a process of reconciliation can begin, a framework in which the barriers that divide the Irish people, the prejudices, the hatred, can be progressively broken down, a framework in which no-one should fear to participate because the process of reconciliation must involve everyone. What emerges

from it must involve the agreement of everyone. Indeed, those who refuse to participate are only saying that they have no confidence in their own ability to represent their own traditions and their own attitude.

This is the first time, in my view, that we have had a proper framework that addresses the problem, because the problem of Northern Ireland is not about relations within Northern Ireland alone. It is about relations within Ireland and relations between Britain and Ireland. And if the framework of the problem is the British/Irish framework, that should also be the framework of the solution. I believe that within that framework we can begin the process, which will take a long time, of healing the wounds, the hatreds, the prejudices that have so disfigured the island of Ireland.

Let me make one final point. This House will no doubt note that the institutions set out in this agreement are rather similar to the institutions of the Community that we represent in this Chamber. The Anglo-Irish Conference is the equivalent of the Council of Ministers, the proposed interparliamentary tier is the equivalent of this House and the secretariat is the equivalent of the Commission. Those similar institutions have enabled the peoples of Western Europe represented in this House — peoples who for centuries have been involved in war, conflict and slaughter, who twice in this century alone slaughtered one another by the million with a savagery and hatred far deeper than anything that we have seen in Ireland — to end conflict and war on the continent of Europe and to grow together at their own speed. That being the case, is it an exaggerated hope to express in this Chamber today that the same institutions set out in the Anglo-Irish Agreement can provide a similar opportunity to the people of Ireland to grow together at their own speed and to end conflict, hatred and violence in that island?

I commend this Agreement to this House, Mr President, not because I think it offers an instant solution but because it offers an opportunity to democrats to begin the process of breaking down the divisions of Ireland. The challenges involved in it and the risks involved in it are daunting, but there is no road towards a solution to the Irish problem which does not contain risks. The choices are neither difficult nor daunting, because there is no other choice.

(Sustained applause)

Lady Elles (ED). — Mr President, let me say, first of all, that I am very pleased to be following Mr Hume in this debate. As I am speaking on behalf of the European Democratic Group, I must clarify the position of Mr John D. Taylor who, for understandable reasons, does not support this particular resolution. He would be here himself to state his opinion but he is on official business in Northern Ireland. At the same time, I have to say that we have the total support of our Danish colleagues in tabling this amended resolution.

Elles

As Members of this Parliament will know, Northern Ireland has been the scene of much violence since 1969. Approximately 2 500 people have been killed, including over 700 members of the security forces. It was mainly for this reason that both the British and Irish Governments decided that action must be taken to stop this violence and bring peace and stability to the region, a peace and stability which I would assure this House is desired deeply by the vast majority of the citizens of Northern Ireland. I am sure this will be confirmed by all who live in that part of the United Kingdom.

The two governments have courageously concluded this Agreement as the basis for reconciliation between the two major traditions in that province, to control violence and terrorism and in the hope of eliminating them completely by gradually overcoming the fears of both traditions — understandable fears on both sides in that war-torn province. As Mr Hume has so rightly said, we in this Parliament come from many traditions, cultures and with different histories. In the past there have been wars between us, yet we are able 40 years later to work together for a peaceful solution to our various problems.

In case this House is not aware, I would inform it that this Agreement has been overwhelmingly supported by the British Parliament and by the Irish *Dail* and hence has become a legally binding treaty between the two governments to promote the process contained in that Agreement. In asking for support from this Parliament, we are seeking to obtain moral assurance and support from the peoples of Europe for this Agreement to encourage those living in the province.

It is also worth recognizing the request we are making in this amended resolution — which is signed by at least four major political parties of this House as well as individual Members of the Communist Party — for economic and social assistance from the Commission for the amelioration and development of the province. I would like to express gratitude on behalf of the people of Northern Ireland for the encouragement and efficient and effective measures provided by the Commission over the years from the financial resources which are available to the Community. I believe approximately £1 billion since 1973 has been made available to the province. There could be no more direct and clear recognition of the Commission's desire to come to the assistance of that part of the United Kingdom.

In conclusion, the moral support of the Members of this Parliament for this resolution which we seek would serve to nurture the seeds of hope sown by this Agreement between the British and Irish Governments and help to achieve the peace and stability so long desired by the people of Northern Ireland and by all the citizens of Europe.

(Applause)

Mr Penders (PPE). — Mr President, I take the floor as chairman of the all-party informal working group on Northern Ireland just to say how pleased we are that the Hillsborough Agreement was signed. In this context it is fitting to quote from the resolution attached to the Haagerup report that was adopted by the European Parliament in 1984 with an overwhelming majority. I quote:

Calls upon the British and Irish Governments to reexamine their individual and collective responsibility for expanding and enlarging their mutual cooperation not only in matters relating to security north and south of the present border, but also to use their influence with the two communities in Northern Ireland to bring about a political system with an equitable sharing of government responsibilities which would accommodate the identities of the two traditions.

The Hillsborough Agreement seems to me very similar in spirit to the above text.

May I say how touching it is for people outside Ireland and the United Kingdom to observe the references to the European Communities. The two countries call themselves 'partners in the European Community'. The term 'intergovernmental conference' seems to have been taken from Article 236 of the EEC Treaty and one can only hope that this intergovernmental conference will produce a better outcome than the European one.

The link with Europe is also underlined in the joint amendment tabled by four groups and other Members. We are reminded that one of the principal motives of the European founding fathers was the conciliation of differences in a strife-torn Europe. It is our fervent wish that agreement will be fully and quickly implemented. I think that the European Community should help if asked to do so.

(Applause)

Mr Maher (L). — Mr President, my group and I support this common resolution on the Anglo-Irish Agreement. I support it on the basis that it is better to light one candle than to curse the darkness. This is not, of course, a final solution to the problem of the North of Ireland, but it is an important step along the way. I believe that this Parliament which constantly interests itself in problems existing between countries and within countries far beyond this European Community in all parts of the world and which likes to offer solutions would be failing in its duty and rejecting its own philosophy if it did not support a move of this kind.

This is an important step. I believe that the very fact that the two extremes, those people who are extreme on the Unionist side and those who are extreme on the other side, the IRA, both diametrically oppose this

Maher

Agreement is a good indication that it is an agreement that can appeal to moderate people. I must acknowledge the efforts of both governments, the government of Dr Garret FitzGerald and the government of Mrs Thatcher in the efforts that they have made in recent times to overcome an extremely difficult problem. I must also acknowledge the efforts of John Hume, not only in relation to this Agreement but also for his long and fearless advocacy of peace.

But I do make one appeal and I believe it is absolutely essential. I know that the government of Dr Garret FitzGerald is resolute. I hope that Mrs Thatcher and her government will not bow to extremists but will apply this Agreement right down to the last letter because if it does not, we are lost in relation to that part of Ireland!

(Applause)

Mr Lalor (RDE). — Mr President, speaking on behalf of my group, firstly I would like to put on record my total disapproval of the way that the resolution tabled by me on behalf of the RDE Group, which had a totally legitimate place in this debate, was removed from the agenda. I don't believe I have ever had occasion to criticize a fellow Vice-President in the Chair, but I must express here today my profound disappointment at the way this matter was handled by the Chair yesterday afternoon.

I could talk at length about how embarrassing it would be for certain Members of this House to vote against our resolution. I could argue that yesterday's vote was tantamount to a refusal by certain Members, at least in this House, to accept the concept of Irish unity by consent as a fundamental principle. But my real concern is that certain elements within our Parliament did not have the political guts to vote in favour or, indeed, against our resolution which clearly outlines the legitimate aspirations of the majority of the people of Ireland to a unitary state. I deeply regret this and, as I said yesterday afternoon, it was a sad day for those, like myself and the party that I represent, Fianna Fáil, who are totally committed to a united Ireland. My resolution on behalf of my group, this resolution has neither been approved nor rejected by this House and remains therefore a very live issue which can and most certainly will be retabled by my group at the appropriate time in the future.

As to what remains of this debate, I must say on behalf not only of my Irish colleagues, but also of my group, that we totally reject violence and terrorism in the North of Ireland from whatever source. We fully support the promotion of peace and stability there. We genuinely recognize the need that exists for substantial improvements in the situation and circumstances of the nationalist section of the community in the North of Ireland. We fully approve any effective measures which may be undertaken for that purpose. Let there

be no doubt whatsoever in anybody's mind about that. Furthermore, there can be no questioning the need to improve the social and economic situation in the North of Ireland which can only be positive. Of course we are conscious of the enormous security costs for both Member States and, more important, the cost in terms of deaths and human suffering.

We absolutely agree that the European Community should assume a greater responsibility for the economic and social development of the North of Ireland and indeed for the whole of Ireland. It goes without saying that we would totally support financial aid to meet this desperate need. In fact, we are sorry to note that the compromise amendment omits the calls in the original resolutions for financial aid.

Also, I note without surprise the significant concessions which my Fine Gael colleagues have had to make to the British Tories to enable them jointly to sign the compromise text. Shades of FitzGerald's concessions to Thatcher. Nobody in this House, be they from the Christian-Democrats, the Socialists or the European Democratic Group can justifiably claim that we are being negative. I have tried to spell out our unequivocal support for effective measures which will be genuinely positive and productive for our fellow Irishmen.

There is, however, a major point of contention that greatly concerns Fianna Fáil. This relates to the constitutional elements of the Hillsborough Agreement. All of you here know that the constitution of each of our Member States is enacted by our own individual people and can only be changed by them. I am convinced that many Members in this House are not familiar with the Irish Constitution and particularly Articles 2 and 3 thereof. Mr President, I should now like to read these vital Articles to you. Article 2:

The national territory consists of the whole island of Ireland, its islands and its territorial seas.

Article 3:

Pending the reintegration of the national territory and without prejudice to the rights of the Parliament and government established by this constitution to exercise jurisdiction over the whole of that territory the laws enacted by that Parliament shall have the like area and extent of application as the laws of Saorstát Éireann and the like extra-territorial effect.

In conclusion, I would like to recall a statement made in May 1980 by the then Taoiseach, Mr Charles Haughey, following an Anglo-Irish Summit:

While agreeing with the British Prime Minister that any change in the constitutional status of Northern Ireland would only come about with the consent of a majority of the people of Northern Ireland, I reaffirm that it is the wish of the Irish Government to secure the unity of Ireland by agreement and in peace.

Lalor

That statement in recent weeks has been butchered by the present Taoiseach, Mr FitzGerald, who, in comparing the 1980 Summit with the present agreement, knowingly and deliberately omitted the last part of this sentence referring specifically to the unity of Ireland. With regret, therefore, my group will be voting against the extremely watered-down composite amendment which blatantly dodges this recognition. Ireland's right to sovereign independence in unity is inalienable and infeasible.

Finally, the Members of this House will appreciate that I was legitimately annoyed at the shabby way in which my resolution was treated yesterday. I confess that the language I used was excessive. I would like to make it clear that it was not my intention to offend or to malign anyone, either collectively or individually. I refer particularly to the insult directed to my colleague, John Hume, for which I express regret.

(Applause)

Mr Verbeek (ARC). — *(NL)* As we have just heard, the Hillsborough Agreement of 15 November does not go far enough for all Irish people who support the Irish constitution. The only satisfactory solution is a united Ireland free of British occupation. The rights of the Catholics in Northern Ireland will perhaps be more respected as a result of this agreement. This could be the positive result of the signatures of Mrs Thatcher and Mr FitzGerald. However, Ireland cannot be satisfied with this. The Agreement must now be followed by steps towards full reunification and independence. With this proviso, I shall vote for the compromise resolution as support by this House for a step towards unity in independence.

Mr Paisley (NI). — Mr President, as two of the speakers from the Irish Republic attacked the Unionist community, I should preface my remarks by saying that I have as much right to speak in this House as any other Member — and more rights from the electorate than any Member from Northern Ireland.

At the last election, for the education of Mr McCartin, who believes that we have no rights whatsoever, my vote was 230 251, Mr John Hume's vote was 151 000 and he was not elected on the first vote. I defeated him by 79 000. So, I stand here to speak on behalf of one part of the community in Northern Ireland that has been completely, totally and absolutely rejected in all these negotiations, has been rejected in the setting up of this conference and is going to be rejected no doubt by this House.

I was rather amazed when Mr Hume said, 'This agreement must involve everybody'. Well, let us look at the Agreement. We discover that when the negotiations were taking place, the negotiations were three ways. They were between the British Government, the

Republic's Government and Mr John Hume's SDLP. In fact, Mr McGrady, who is the Chief Whip of the SDLP, Mr John Hume's party, made it clear on television and radio that on every item discussed, his party was fully informed and their views were fully taken into account.

Does this House think today that the coercion statement made by Mr Maher must be forced down the throats of the Unionist community? Does he think that this Parliament, or any other parliament, can completely coerce a majority in any part of this economic community? Let me tell this House that the 15 Members of the British Parliament who are Unionists — according to Mr Maher, they are all extremists — have all resigned their seats and in the last week of January will be going to the electorate because they believe in the ballot box. I challenge Mr Hume to resign his seat and put this to the people that he claims to represent. Let us have the ballot box, not the bomb, not the bullet, not the maiming, not the killing, but let us have the ballot box!

(Interruption)

... — the final discipline under which it ill becomes the honourable Member, whose leader was caught up in arms charges, to heckle me from the bench in front of me today.

(Interruption)

Let me say to him that when Ireland was divided — it is a pity that I cannot give way to you for I would be glad to enter into a debate with you — 10% of the total population of the Irish Republic were Protestants. Where are they today? — Just under 2% left, 8% eliminated. What about the Roman Catholic population in the North of Ireland? It is steadily increasing. If you take the two states, you can draw your own conclusion about where the truth of the matter lies.

Let me also say today that if this House feels that a million people in Northern Ireland are to have no say whatsoever in the running of their country, let me tell this House that that million people will have a say. Yesterday they brought Mr Barry and his cohorts to Stormont. What did they do? They had to erect a steel wall, a barbed-wire fence six feet high, all round the Stormont Castle. They needed 80 armoured cars to bring these ministers in and get them out again. Does this House think that they can run any part of their territory in that manner?

The Ulster Unionist people are asking for one thing. They are asking for fair play and their rights. Their rights can only be established through the ballot box. I say today in this House, this House need not talk about Afghanistan, need not talk about human rights for minorities, when they are not prepared to accept human rights for majorities.

Paisley

All these promises of money I, as a spokesman for Northern Ireland, repudiate. You will not buy Ulster people with your ECU or with American dollars. The Ulster people will have a say in their own future, no matter what this House does.

Mr Ulburghs (NI). — (NL) Northern Ireland, a country of division, hate and war, can become within Europe a country of unity, peace and social justice, a sign of hope within a just Europe. We talk of a Europe without frontiers. In anticipation of Irish unity within European unity — both of which will be difficult to achieve — why not strive for a peaceful and just solution in Northern Ireland, and recognize this country as the first European country with a European constitution? By building a pluralistic, tolerant society from the poorest and most oppressed, Northern Ireland can offer a sign of hope in a Europe that acknowledges the right to political and cultural diversity.

As a Roman Catholic, I have never yet quarreled with my colleague, Mr Paisley. Remember how peacefully we sat together in the same group. Although our views differ in matters of religion and social policy, we are both guided by the social vision of justice held by the prophets of Israel. May this become reality one day.

Mr de Clercq, Member of the Commission. — Mr President, ladies and gentlemen, following the announcement of the signing of the Anglo-Irish Agreement, Mr Delors issued a statement on behalf of the Commission in which he recalled how the establishment of the European Community was founded on the determination:

to substitute for age-old rivalries the merging of their essential interests, 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.

Europe has learned from its past that violence is not the answer to difficult problems. Violence from whatever source it comes is against all we stand for. The existence of the European Community demonstrates that a credible alternative exists. In the process of negotiation between democratic States new structures and processes can be established in which differing identities and loyalties can be accommodated and in which the chance to share in the development of their homelands can be guaranteed to each and every one. This can be done in full respect for the beliefs and convictions of all. Those who negotiated the Anglo-Irish Agreement were true to the goal of seeking peaceful settlement.

The Commission has sought to use the available Community instruments to the full to help in the economic and social development of Northern Ireland. The

impact of Community policies and actions were reviewed in the Commission's communication to the European Parliament in November 1984. The proposals in the resolutions before this House call on the Commission to confirm its commitment to aiding Northern Ireland. This I can do. The Commission will continue wholeheartedly, using all the instruments at its disposal, to support the economic and social development of Northern Ireland and to assist cross-border cooperation.

(Applause)

President. — The debate is closed.

(Parliament adopted Amendment No 1 which replaced the three motions for resolutions)¹

Mr Lomas (S). — Mr President, I do apologize for delaying the House during urgencies. I promise you I shall take only one minute.

I have just received the verbatim report of yesterday's proceedings in this House. On behalf of the Labour Party Members in the House, as their leader, I wish to refer to the very damaging statement made by Mr Howell with regard to a collection which we were taking for help to the Third World.

I promise I will only be one minute. It might save libel actions and all sorts of problems.

President. — Mr Lomas, the matter you refer to was brought up at the beginning of today's sitting. We agreed that I should report the various viewpoints to the Bureau. The House agreed to this at the beginning of the sitting, when you were unable to be present. If you want to talk about another matter, I shall be happy to give you the floor. But the fact is that on this point we are already halfway to clearing it up.

Mr Lomas (S). — Yes, Mr President, I was aware of that. However, Mr Howell was not in the Chamber either at the time, and he is now present. I want therefore to give him the opportunity to withdraw the statement he made, which was that the money we collected would not be properly audited and that it would not

¹ Amendment No 1 was tabled by:

- Mr Hume and Mr Arndt on behalf of the Socialist Group;
- Mr McCartin, Mr Clinton, Mr Raftery, Mr Klepsch and Mr Penders on behalf of the Group of the European People's Party;
- Sir Henry Plumb, Lady Elles and Mr Prag on behalf of the European Democratic Group;
- Mr Maher and Mrs Veil on behalf of the Liberal and Democratic Group;
- Mr Barzanti, Mr Ippolito, Mr Novelli and Mr Papapietro.

Lomas

go where we said it would, namely to Oxfam. I think that if Mr Howell reflects on those words, he will realize that they were damaging and untrue. If he is prepared to withdraw his words now, the whole matter can be dropped.

Mr Howell (ED). — Mr President, I am grateful to you and I am sure you were extremely wise in letting Mr Lomas speak.

I thank Mr Lomas for his very helpful remarks. He has done me the courtesy of informing me that he would be making this statement. Having reflected on some of the words I used, I do withdraw those parts of my statement where I referred to my concern over the charity involved. That withdrawal I make unreservedly.

I would further like to make reference to the incident that happened afterwards. There has been a degree of speculation in the press. To be perfectly frank, it was a case of six of one and half a dozen of the other. I very much regret the activities that surrounded that incident and I would be grateful to the House, to Mr Lomas and to the Labour Party if the matter could now be dropped.

(Applause)

Ethiopia

President. — The next item is the joint debate on four motions for resolutions on Ethiopia:

- motion for a resolution (Doc. B2-1295/85), tabled by Mr de la Malène and others on behalf of the Group of the European Democratic Alliance, on mass transfers of population in Ethiopia and the expulsion of 'Médecins sans frontières';
- motion for a resolution (Doc. B2-1297/85), tabled by Mr Chinaud and Mrs Veil on behalf of the Liberal and Democratic Group, on the situation in Ethiopia;
- motion for a resolution (Doc. B2-1308/85), tabled by Mr Debatisse and others on behalf of the Group of the European People's Party, on the resettlement of the population in Ethiopia;
- motion for a resolution (Doc. B2-1312/85), tabled by Mr d'Ormesson and Mr Antony on behalf of the Group of the European Right, on the suspension of resettlement operations in Ethiopia.

Mr Guerneur (RDE). — *(FR)* Mr President, even as we talk, a vast plan for resettling large numbers of people continues to be carried out, in defiance of

human rights, by an Ethiopian Government indifferent to public opinion, and in defiance of the testimonies of the most reliable witnesses.

The first witness, Mr President, is our own Parliament. A committee of enquiry visited these resettlement areas. We saw that in relation to the numbers of women and children enormous numbers of men were being moved, proof that families had been split up. We saw the poverty and deprivation of the people who were moved, proof that the reason given, namely that they would be better off, was false. We saw the resettlement camps being run directly by the Marxist Party and not by the civilian authorities, proof that the operation is not humanitarian but ideological.

The second witness is the 'Médecins sans frontières' organization, to which we were host this week in Strasbourg. Dr Breuman has described what he saw: the transit camps, crowded with people whose rations are one glass of grain per day; food aid used as bait to get people together, split up families and pile desperate human beings into lorries as if they were cattle; areas wantonly deprived of medical care; doctors forbidden to open feeding centres for children or to vaccinate against epidemics.

Mr President, Europe has a reputation for generosity and solidarity, recognized by all countries whatever their régime. A Europe which defends human rights cannot, in all conscience, restrict its attention in Ethiopia to the confines of the port where the grain sacks are piling up. Europe is also accountable for the men, women and children who are being made to suffer, who are being resettled against their will.

My group, Mr President, urges that the forcible movement of people in Ethiopia be stopped immediately and that an international enquiry be set up to bring out the truth and reestablish human rights.

(Applause from the right)

Mrs Veil (L). — *(FR)* Terrorism, violations of human rights and natural disasters unfortunately seem to be our lot on Thursday mornings. But I believe that the worst of the subjects we have to tackle is that on which we have to make a stand again this morning: the tragedy of the Ethiopian women and children who are continuing to die of starvation.

We know that the situation in this country is difficult and, unfortunately, we cannot do a great deal. We are not doing enough to combat the climatic or economic conditions, or the terrible water shortages. However, a feeling of solidarity has been aroused in Europe and today everyone is aware that we have to do as much as possible. For this reason, we cannot allow one disaster, which I could almost call natural, if I dare use such a word, a disaster against which we can do very little and which we are unfortunately forced to accept, to be

Veil

followed by a disaster brought about by the political will of certain people in positions of authority in the areas affected, who are making worse, in a particularly heinous way, a situation which is already disastrous for the inhabitants.

It is a difficult situation, we admit. I have spoken about it to the Commissioner responsible, who has often been over there, and although I do not wish to be too definite on this point at the moment, it is possible that in some other regions of Ethiopia the possibilities for farming the land are better than in the North. But we cannot allow the population to continue being transferred in deplorable conditions without all possible precautions being taken, or at least a minimum of precautions to stop them dying on the way, to stop families being split up and to put an end to the inhuman acts that are being witnessed.

So, what we are asking for today is a moratorium for three months at least. It is not urgent that people be resettled or transferred. We ask that for three months there should be a moratorium to enable the Council and the Commission to set up an enquiry to find out whether in fact they can be resettled, how they can be resettled and, in particular, if it is really necessary to transfer some of the people at all. If so, let it be done in conditions other than the present ones, which are absolutely atrocious.

(Applause)

Mr Debatisse (PPE). — *(FR)* Mr President, ladies and gentlemen, Parliament has already voted several times on urgent motions concerning the tragic situation in Ethiopia. Several times, also, Parliament has asked the Commission and the Member States to take urgent action to ensure that European aid is not only generous but also as effective as possible.

It has always been a matter of concern that aid to Ethiopia, from both private and public sources, including Community shipments, should be transported and used as effectively as possible. This quite legitimate demand for effectiveness and a concern for basic human rights have always caused us, right from the outset, a great deal of anxiety.

Unfortunately, recent events have shown that this overriding concern is more than ever necessary, and if it is our duty to help it is also our duty to know what is going on. As the previous speakers have mentioned, the conditions under which people are being moved would appear, according to information received, to be atrocious. Of 500 000 people moved, 100 000 are said to have died either on the journey or during the first few months of resettlement. And the lorries being used for this transport are those provided by food aid organizations for the transport of food aid. 'Médecins sans frontières' recounts the following scene, which I hope you will allow me to recall. At nightfall, the

inhabitants of the camp, some 15 000 persons, having been warned on the grapevine, fled into the nearby mountains, but 6 000 still remained, who were caught by the militia. Threatened by submachine guns, people chosen at random were pushed and beaten with sticks towards the very lorries provided by international charitable organizations. Families were split up, those who resisted were beaten, many unmercifully, and at daybreak a convoy of 600 people, many of them in a pitiable state of health, left the camp for an unknown destination.

In moving people from the North to the South, the Ethiopian Government has flouted three principles: the departures have not all been voluntary, families have been split up, and transport conditions were impracticable. 'Médecins sans frontières' has just been expelled from the country because it denounced this situation. However, both the attitude and the proposals made by this charitable organization show that its only concern is to bring help to the men and women of Ethiopia. That is why we are supporting its request for an immediate three-month moratorium on the resettlement of people and demand that an independent group of experts be appointed, a group which could in no way cause concern to a government which claims to care for the well-being of its people.

We urge the Commission and Commissioner Natali to exert pressure on the Ethiopian Government. Any Community programme supporting this government's resettlement aims is unthinkable unless cast-iron guarantees on the handling and outcome of the operations are obtained and unless, as emphasized in the amendment of our colleague Mrs Péry to this motion for a resolution, which I fully endorse, everything is done to enable the people in the areas hit by famine to be resettled if at all possible in their own regions.

Ladies and gentlemen, Mr President. That is the tenor of this motion for a resolution and we expect from the Commission the clear and unambiguous commitment which the gravity of the situation and the size of the aid granted by the Community demand.

IN THE CHAIR: MR ALBER

Vice-President

Mr de Camaret (DR). — *(FR)* Mr President, Ethiopia, where famine has already claimed between six thousand and one million victims, is suffering a further tragedy with the transfer of people from the North. It is obvious that wherever they are applied Marxist-Leninist methods run counter to human dignity and respect for mankind. Fortunately, the admirable courage of the 'Médecins sans frontières', relieving human suffering, has shown us exactly what the Ethiopian tragedy is about.

de Camaret

In fact, more than five hundred thousand people have been moved against their will and often by force. They ran the risk of losing the little they had and finding, unfortunately, nothing but death. Mengistu's aim was in no way humanitarian: he wanted to isolate Eritrean resistance and the guerillas who are fighting against his régime. Admitting that these displaced persons often die of exhaustion during transport would be admitting failure.

But what is our Community doing to help these unfortunate people? As happens all too often, the humanitarian and food aid provided by the West is being diverted by the authorities. No doubt you are aware, ladies and gentlemen, that some of the cereals received by Ethiopia are resold to the Soviet Union in exchange for arms. In addition, some Member States, and also the World Council of Churches, are providing direct aid for this so-called resettlement programme which is nothing other than deportation, pure and simple.

We must act quickly and, as the previous speaker has said, send a committee of enquiry and investigation into the field to draw up a detailed report on these people and their needs and ask the authorities that the expulsion order against that admirable organization "Médecins sans frontières" be suspended.

Finally, we demand a moratorium of at least three months, to enable us to find out three things; firstly, the viability of the Northern territory and possibilities for local rehabilitation; secondly, what conditions are like for receiving people in the resettlement areas as a whole and thirdly and finally to what extent this movement of people is voluntary and what the chances are of reuniting families who have been split up.

If we do this, and only if we do this, Parliament will have done its duty and fulfilled its task, which is to denounce the tragedy of people who fall victim to Communist barbarism.

(Applause from the right)

Mrs Focke (S), *chairman of the Committee on Development and Cooperation*. — (DE) Mr President, ladies and gentlemen. We in the Socialist Group also regret the expulsion of 'Médecins sans frontières' from Ethiopia. We too were horror-stricken at the recent information on the conditions under which the resettlement is apparently being carried out, on a larger scale than ever before. We have not tabled any motion for a resolution for this debate because the Committee on Development and Cooperation discussed this question at its last meeting and will do so again during the next week in order to find out the facts as accurately as possible and, together with the Commission — Mr Natali will come to the Committee meeting — work out how to take action as responsibly and effectively as possible. I should like to state quite clearly that it is not responsible to threaten to block food aid, as proposed

in the motion tabled by the Group of the European Right, that it is not responsible to assume widespread abuses in the use of Community aid and threaten to withdraw it, as proposed in the motion tabled by the Liberal and Democratic Group, that it is not responsible to impose on the Commission of the European Communities preconditions for the start of talks on the aid programme, as proposed in the motion tabled by the Group of the European People's Party. And it is not at all responsible to make assertions and accusations so indiscriminately and slanderously and in so authoritarian a tone as does the motion tabled by the Group of the European Democratic Alliance. I shall therefore speak against all four motions for resolutions and all the Members of the Socialist Group will reject at least three out of the four.

Until now, the European Communities, supported by the European Parliament and its June/July delegation, have refused to have anything to do with the resettlement programmes, even to try to improve conditions. We are not financing any projects in the resettlement areas. Instead, our priorities are the fight against hunger and rehabilitation and help for the small farmers to become self-supporting and feed themselves.

Now we have to ask ourselves whether we can maintain this basically negative stance if we wish to help improve conditions. Nongovernmental organizations have been asking us this question for some time now, saying that resettlement takes place in other places too and that anyone who compares the over-populated, karstic mountain areas of Ethiopia with the thinly populated South should not automatically refuse to have anything to do with any resettlement programme. They all confirm that there are no resettlements from Eritrea, and only a few from Tigré. They are being carried out mainly from the provinces of Wollo and Shewa. The political motive, which is so often assumed to apply, is, therefore, extremely doubtful.

It is one thing to use strong language in a topical and urgent debate to demand a moratorium from the Ethiopian Government. It is, perhaps, morally satisfying. But if we want to get anywhere, we must try to find out more about the facts, and if we wish to have any effect on resettlement conditions, we must seriously consider how we can do this, how we can ensure that resettlement is voluntary, that families stay together, that medical help and humane transport are provided and that help is given when resettlement actually takes place. The considerations that have to be taken into account must be carefully and clearly defined and the facts ascertained.

All this is highly unsuitable for a topical and urgent debate. I therefore repeat that the Committee has already taken up this subject and will follow it up in the next week. It will be a matter of deciding what line Community help in improving resettlement conditions should take.

(Applause)

Mrs Daly (ED). — Mr President, my group is profoundly disturbed by the almost daily reports of more and more people dying in Ethiopia in spite of all the aid that has been going to that country in the past year. We are particularly concerned about the fact that some 100 000 people are estimated to have died as a result of the first phase of the operation of the resettlement programme.

We deplore the expulsion by the Ethiopian Government of 'Médecins sans frontières'. This organization has done sterling work and has been courageous in disclosing some of the problems which have arisen from the resettlement programme. The very fact that an organization of this kind has been expelled must at least raise doubts in the minds of Members of this House regarding the assurances given to us by the Ethiopian Government that the programme is working well.

Personally, I am convinced that the resettlement programme has been carried out in a most inhumane manner. I believe that the scale of the operation involving, as it does, several hundreds of thousands of human beings, and the speed with which it is being conducted, have become incompatible with compliance with the elementary rights of any individual.

As signatories to the Lomé Convention, the Ethiopian Government must appreciate that we will not stand by and see formal undertakings, given to Members of this Parliament last July, flagrantly violated. We will not stand by and see compulsory transfers carried out when it has been agreed they would be done on a voluntary basis. Families should not be separated, and people transferred should be in a fit state of health.

We support the proposal in Mr Guermeur's resolution requesting the Commission, the Council and Member States to ask for an immediate halt in transfers of population from North to South Ethiopia so that under international supervision it can be established, firstly, whether such transfers are necessary, and secondly, if so, what are the minimum humanitarian conditions for carrying out a resettlement operation.

I would like answers to two questions. Is the report, that a well-known charity was ordered by the Ethiopian authorities to be absent from a feeding centre one day, true? Is it true that on that day when the hungry appeared for their food they were instead forcibly abducted by the authorities and resettled many hundreds of miles away? I want answers to those questions. I want a message to go from this House to the Ethiopian Government that we will not rest until we are fully informed with facts about the situation. Expelling organizations who provide facts will not deter us from getting them.

Almost all the aid for Ethiopia comes from Western democracies, and this is made possible by the tremendous generosity of the citizens of all ages of the Euro-

pean Community. We in this House have a duty to see that the aid reaches the victims of the famine and that it is effective. Programmes which allow hundreds of thousands of people to die cannot, by any stretch of the imagination, be regarded as successful.

I urge this House to support these resolutions so that aid for such programmes will only be given when we are satisfied that they will be carried out in a proper manner.

(Applause from the right)

Mr Wurtz (COM). — (FR) Mr President, I shall refrain from making hard and fast statements about a country I do not know. On the other hand, I think it might be useful to include in the debate certain assessments from people who are or have been there, without my being suspected of being biased in favour of Ethiopia.

The first report comes from the World Bank. In a study which most of you know, this institution emphasized as far back as 1973 that the land in the Tigré and Wollo area was over-worked and over-populated. The World Bank wrote that there was no way in which the population would be able to remain in that area and that it was essential that they move. That was in 1973. Since then, the drought has made matters worse.

The second report that I would like to quote concerns the other matter that we are discussing, the distribution of aid. The report is from Mr Kurt Janssen, Under Secretary-General of the United Nations dealing with emergency operations in Ethiopia. Even those sections of the press most hostile to Ethiopia felt obliged to quote this report this summer. The UN representative said that more than 97% of the food aid coming to Ethiopia could be fully accounted for. He stated that a representative of his office was working in the headquarters of the committee for aid and rehabilitation in Addis Ababa and that eight United Nations controllers were working in the various regions affected by famine. A regular report was made to the donor nations.

The third report that I would like to refer to concerns us directly, and that is the written report by Mrs Focke on behalf of the delegation which went to Ethiopia in the summer, representing varying shades of political opinion in this Parliament. On the one hand, I read in this report that the delegation was able to confirm, through its conversations and field visits, that the aid was being correctly used. In addition, whilst pointing out that people were being transported under unsatisfactory conditions, the report emphasized that the policy of transferring people was entirely understandable, in principle.

In conclusion, Mr President, I should like to point out that there is a great deal of talk about 'Médecins sans

Wurtz

frontières' and very little about the forty-seven other non-governmental organizations which are deeply committed to their work in Ethiopia even if they do not have the benefit of the same publicity. It seems to me that 'Médecins sans frontières France' is not as credible as other organizations in that those responsible make no secret of their political leanings to the right.

(Protests from the right)

They have only made matters worse. I do not understand their attitude. Undignified and noisy behaviour does not help anyone. The whole thing is becoming a charity roadshow. Those of you who are making such a song and dance should realize that this is the opinion not of the Communist Group but of 'Médecins sans frontières-Belgique'.

Mr President, a moratorium has been proposed on the movement of people and the suspension of aid. I am weighing my words carefully. It would be irresponsible to take action along these lines without any alternative proposal. We shall therefore vote against the proposed resolutions and will continue to be concerned with only one thing: helping the Ethiopian people to overcome their terrible ordeal.

(Applause from the Communist and Allies Group).

Mr Beyer de Ryke (L). — *(FR)* Mr President, ladies and gentlemen. Does it really show a lack of responsibility, as the Chairman of the Development Committee has said, to denounce a situation which appears to have caused one hundred thousand deaths? Do we deserve to be accused of making a song and dance as the previous speaker said, when we denounce a situation where people are dying because they have been transferred and are concentrated, in the real sense of the word, in camps which have become death camps? Does it show a lack of responsibility for the various groups in this Parliament to denounce such a situation following in the footsteps, admittedly, of an organization which does not seem to me to be a political organization but rather an association of doctors, 'Médecins sans frontières', who were on-the-spot and who took care of the people? Mr President, I strongly protest against such words which are insulting to the whole of our Parliament!

(Applause from the right)

I must also emphasize the enormous efforts which have been made on behalf of Ethiopia. And how are we being rewarded? We are rewarded by the situation which has been denounced, that is, people being transported when we do not know whether or not they go voluntarily, whether or not families stay together and what their state of health is. And then, Mr President, you have been told what is happening, the situation has been decried. I will not repeat all that has been said. But I turn to you, Mr Natali, and believe me I am

not doing so from any desire to cause controversy, I turn to you without bitterness, but I must confess that I do not fully understand. We have put questions to you, and I understand that you are coming to meet the Committee next week, but you have remained silent. However, you have eyes and ears in Ethiopia, those eyes and ears being the representatives of the European Development Fund who have reported to you. Officially, we do not know what they have said to you. We do not know, but we have received a reply, although it does not come from you. It comes from His Excellency the Ethiopian Ambassador, a brilliant man, very clever and worldly-wise. But, as far as I know, the Ethiopian Ambassador is not one of your colleagues in the Commission. It is from you that we expect a reply. It is from you that we expect a report on what is going on. I do not know if we shall hear from you, Mr Natali, but you may be sure that we shall listen to you if we do.

(Applause from the right)

Mr Verbeek (ARC). — *(NL)* The Community, and also this House, should not allow itself to be guided by ideological and political bigotry. The distress of the starving population of Ethiopia should not be compounded. Nevertheless, the Commission should keep close checks to ensure that its food aid, and related schemes, drugs and housing projects actually benefit the population and meet the conditions laid down.

I therefore emphatically support the standpoint and advice of Mrs Focke, chairman of the Committee on Development Cooperation, for what is now needed is an increase in aid to the starving in Ethiopia, and a strengthening of the conditions governing such aid.

Mrs Pery (S). — *(FR)* Mr President, I should like to speak in this debate on a subject in which I am interested both as a Socialist Member and personally.

The expulsion of the non-governmental organization "Médecins sans frontières" from Ethiopia has thrown back into the limelight the tragic problem of the resettlement of the people of this country. The accusations of the Ethiopian authorities, whose national sovereignty we respect, do not, however, in my opinion, justify the enforced departure of doctors who, by their very mission, were doing humanitarian work among a people sorely tried by drought and famine. 'Médecins sans frontières' denounces what has been going on and gives figures. We cannot act as if these facts did not exist. The problem is sufficiently complex to deserve to be treated fully and seriously, over and above this topical and urgent debate. What guarantee can the European Community require in exchange for aid? It is true that the Committee on Development and Cooperation has already given thought to this matter.

But even if it were virtually inevitable that some people would be resettled, there are certain principles which

Pery

should always have been respected: the resettlement should be voluntary, families should not be split up, those being moved should be sufficiently fit and they should be suitably accommodated on arrival.

But would it not be better today to commit ourselves to some positive Community action together with all the non-governmental organizations, giving priority to the resettlement of the people concerned in their own areas? This development programme involves, of course, the rehabilitation of the regions affected by famine, it means that agriculture must be started up again and that the problems of water and seed for sowing must be solved.

In the short term, Mr President, the dialogue with the Ethiopian government must continue. We have reason to believe that the distribution of food aid has improved in recent months. We must, above all, do everything possible to provide more effective aid to the hard-pressed people of Ethiopia.

(Applause)

Mr Cinciari Rodano (COM). — *(IT)* Mr President, we, too, are very disturbed by the news and are convinced that the problem referred to in the resolution is a real and serious one. The resettlement of people is in itself a complex and hazardous undertaking and we will have to see under what conditions it is carried out both from the point of view of transportation as well as from the point of view of the resettlement provisions. In an African country suffering chronic famine it is easy to imagine how difficult an operation of this type can be.

However, what is being claimed in the House by many speakers contrasts with what was contained in the report by the Committee on Development and Cooperation and what has been reported by Members who went to Africa and have described how they visited some of the resettlement areas and found situations which, although difficult, could be understood. This does not rule out that in other areas which the delegations did not visit things are no worse or that the situation has not deteriorated.

What is the real problem? In my view the first thing to do is to take stock of the situation as it stands and alleviate human suffering as far as possible. No one here could admit that an operation designed to give back to these people land, income and prospects for a better life could achieve the opposite effect. Can a positive result be obtained by voting for these resolutions? I have my doubts. On what grounds is the suspension for three or six months requested? Not enough, too long, what are the seasonal requirements?

Let's face facts! The Committee on Development and Cooperation, which is continuously monitoring the problem, could meet Mr Natali as early as next Friday

or any time after that and serious talks could be conducted with the Ethiopian Government on the basis of an undertaking that if and where a resettlement programme should prove necessary and advisable, action can be taken, as Mrs Focke has already said, clearly on the conditions that the implementation of the programme is monitored and controlled. On the basis of such an undertaking facts and firm proposals could quickly be put before Parliament.

The question is whether this Parliament intends to assume total control or, worse, practice political speculation and ease its conscience with a spontaneous vote and whether it is seeking to gull a sensitive public by appearing to have done something or, whether it really wants to achieve results. We feel that real, effective action is called for and it is for this reason that we shall vote against the motions.

Mr Kuijpers (ARC). — *(NL)* Mr President, ladies and gentlemen, on behalf of the European Free Alliance I endorse the statements made about 'médecins sans frontières', without however calling for aid to be stopped to those suffering in Ethiopia. Yet there are five very pertinent questions we cannot afford to ignore.

Firstly, as far as the resettlement programme is concerned, you might recall the European history of displaced persons and expellees. Surely, people cannot be taken elsewhere every time there is an emergency? A second point — and this is something you have to see with your own eyes, as I have done twice — is napalm bombing. The Ethiopian Army, supported by Soviet and East German military personnel, are at this very moment, this very week bombing the new harvest. Can we accept this? Thirdly, it is a proven fact that part of the food aid from Europe is being sold in exchange for Western currency. Even part of Ethiopia's own food production is being sold for Western currency — and on the Western market in some cases — in order to buy arms. This is something we cannot simply ignore. A fourth question: how can one justify the use of food aid from Europe to pay the army and, — in particular — the militia in Ethiopia? And finally one last question: where do we stand in relation to the legitimate struggle for autonomy on the part of various peoples in Ethiopia, a struggle that has been endorsed by the United Nations but which has encountered a fresh setback as a result of this catastrophic intervention? I believe these are, ladies and gentlemen, five questions well worth looking into.

(Applause)

Mr Natali, Vice-President of the Commission. — *(IT)* Mr President, ladies and gentlemen, frequent reference has been made to the fact that the situation in Ethiopia has always been monitored with particular attention. We have heard a number of debates here

Natali

and we have had a number of meetings with the Committee on Development. It has been pointed out that I personally travelled to the area and submitted a detailed report of our mission to Parliament and that a parliamentary delegation has also been to Ethiopia. A month ago when 'Médecins sans Frontières-France' began to distribute, through the press, information of a very serious nature concerning the resettlement operation in Ethiopia, I personally contacted Dr Brauman, President of 'Médecins sans Frontières-France' and, as recently happened — and I feel sure that the Commission on Development will remember the episode at the Ibnat camp — I felt it my duty to take action in the face of what I regarded as a serious violation of human rights. My first response was to invite the Ethiopian Ambassador in Brussels for a meeting on 15 November last to explain the situation and I requested the Community delegation in Addis Abeba to conduct an immediate inquiry on the conditions of the resettlement operation in close collaboration with the non-governmental organizations operating in Ethiopia, which, as was pointed out earlier, total some 46 including the international agencies and diplomatic representatives. The European Parliament's Committee on Development has been kept constantly informed of the various steps taken by the Commission, and using information from various sources it is now possible to produce quite a detailed picture of what has happened in Ethiopia. The Community and the Member States have provided that country with a major portion of the humanitarian aid which it receives. We can say that our aid has enabled a large proportion of the Ethiopian population to survive, a fact brought out by the many checks and reports by all the agencies in Ethiopia. This aid reached the areas where it was most needed. We cannot now stop our aid operations when the forecast is for a food shortfall next year of between 800 000 and 1 000 000 tonnes of cereals, an indication of a slowing-down of international solidarity which in turn would lead to a loss of human life on an incalculable scale. The recovery programme recently financed by the Community will incorporate our previous activities by supplying, — and this is something I would like to emphasize — those population groups most affected by the drought with the ways and means for achieving economic recovery in their areas of origin. As far as resettlement is concerned, the problem is a complex and serious one and I feel it can not be adequately tackled in the limited time available for this debate. We are facing an operation which has so far witnessed the transfer, without any Community aid, of some 600 000 people from Welo, Tigre, Shewa, Grojam and Gonder to the South-West of the country, which is an area considered to be more suited for agricultural development.

The overall aim of the Ethiopian Government is to resettle a total of a million and half people. I should point out that Dr Brauman did not express any formal judgement on the real value of the operation but he is critical of the method, the haste and the procedures

which are often inhuman and therefore deserve censure.

I feel we must examine all the consequences and implications of this serious problem calmly and with a sense of responsibility which reflect the fact that we are not dealing with abstract principles but with human beings. I am ready to pursue this debate with the Committee on Development next week to learn more and the support of the non-governmental organizations operating in Ethiopia will be welcomed so that the aims of the operation and the procedures to be followed can be examined at the same time. I feel we must tackle the problem in the light of these principles which have always underlain Community action in the field of development, the principal one being solidarity with those in need, the respect for life and basic human rights.

(Applause)

President. — The debate is closed.

(By successive votes Parliament adopted resolutions Doc. B2-1295/85, Doc. B2-1297/85 and Doc. B2-1308/85 and rejected motion for resolution Doc. B2-1312/85)

Angola

President. — The next item is the joint debate on four motions for resolutions on Angola:

- motion for a resolution (Doc. B2-1168/85), tabled by Mr Cassidy and others on behalf of the European Democratic Group, Mr Blumenfeld and Mr Van der Waal, on the involvement of foreign troops in military operations in Angola;
- motion for a resolution (Doc. B2-1290/85) by Mrs Lentz-Cornette and others on humanitarian aid for the Angolan territory liberated by Unita;
- motion for a resolution (Doc. B2-1328/85), tabled by Mr Wurtz and others on behalf of the Communist and Allies Group, on clandestine aid granted to Unita by the US administration;
- motion for a resolution (Doc. B2-1332/85), tabled by Mr Glinne and others on behalf of the Socialist Group, on respect for the sovereignty of Angola.

Mr Cassidy (ED). — Mr President, there is a compromise amendment before the House in my name and that of Mrs Lentz-Cornette which contains something of extreme significance, which should be drawn to the attention of the whole House, in particular those on the extreme left. Mrs Lentz-Cornette and I have incorporated in paragraph 3 of our amendment exactly

Cassidy

the same wording as appears in paragraph 7 of the Wurtz-Glinne compromise. I shall read it out:

The European Parliament calls upon the governments of Member States, the Commission and the Council to put their full weight behind Article 2 of the Lomé Convention which stresses the importance of respect for the sovereignty of ACP partners and the right of each State to determine its own political, social, cultural and economic options.

The people of Angola have never been allowed to determine their own destiny. Ten years ago, when Angola became independent of Portugal, they were promised free elections. Those free elections never took place because of Soviet and Cuban intervention. Angola today is, in effect, a Soviet puppet. It will remain so unless we in the European Community use the influence we have through the Lomé Convention to bring about the free elections which were promised. Democracy is our right. We demand the same for the people of Angola.

(Applause from the centre and from the right)

Mrs Lentz-Cornette (PPE). — *(FR)* Mr President, the subject is again Africa, with its problems and violations of human rights north and south of the Equator...

Two and a half months ago we visited that part of Angola which had been liberated by Savimbi and his Unita troops. We experienced at first hand the anguish of its people, who long for peace and freedom and are fighting for that freedom, and who need our moral support and — above all — humanitarian aid — hence this motion for a resolution.

The women belonging to the Unita women's organization asked me to appeal to the women of Europe. They asked me to speak in this House about the denial of the most basic human rights — such as free speech and freedom of worship — to describe the torture and public executions of Angolan patriots longing to see their country liberated, to tell you about the occupation by the Soviets, the Cubans, the East Germans, the Portuguese mercenaries and all the Warsaw Pact troops. They begged me to tell you of the brutality inflicted upon women who refused to submit to Soviet-Cuban domination: rape, detention without charge, disappearance and murder in prisons, where living conditions are inhuman. They asked me to tell you about the deportation to Cuba of young children, without their parents' consent, to be literally brainwashed in Fidel Castro's indoctrination schools — is tantamount to the cultural genocide of the young people of Angola. They begged me to tell you about women being sterilized in order to bring down the birth rate among the Angolan people. This House must condemn the brutal napalm and phosphorus bomb attacks on the defenceless civilians by the Rus-

sians, who devastate villages, hospitals, leper colonies, nurseries, churches and farmland.

We visited the schools in Djamba, where there are more than a thousand orphans of parents killed in the battle against the foreign occupying forces. These schools are in desperate need of all the most basic school equipment, such as pencils and exercise books. In the hospitals we saw people who have been seriously injured in this dreadful war, people maimed and with limbs torn off by Soviet mines, people burned by the Soviet napalm and phosphorus bombs. It was impossible to bring a smile to the little faces of the little girls and boys who were reminiscent of the films we see on Afghanistan; for the very same scenes could have been filmed in the Djamba hospitals.

There is the most atrocious suffering and there are virtually no medical supplies, not even the most basic essentials. All the horror of war which we see on television is there, painted all too clearly, in Angola. We demand humanitarian aid and we wish it to be channelled through the Catholic Church or non-governmental organizations in Angola.

We also discovered in Angola that if a relief agency doctor were to be discovered by the Angolan communists, he would be executed instantly, as would any bystanders from the free world. There are therefore many analogies with Afghanistan. Those who have witnessed and experienced at first hand what is going on in Angola, those who know, must draw attention to it. But this in itself is not enough; something has to be done, and that is why we are begging you to vote in favour of humanitarian aid for this desperately afflicted nation.

I would like, however, to draw your attention to two points which I should like to change in our joint resolution with the European Democratic Group. These are that the third paragraph of point g) be deleted and also in point d), where I had proposed the wording: "decided to grant immediate humanitarian aid", the rest of this sentence be deleted and that it be followed by "a) medical supplies and b) school equipment, because, as I have just said, this aid would have of course go through the usual channels and above all, in this particular case, through the Catholic Church.

(Applause from the centre and the right)

Mr Tommaso Rossi (COM). — *(IT)* Mr President, the motion which the Communist and Allies Group is submitting to Parliament reflects our real concern regarding the continuation of a policy which attacks the sovereignty of Angola, a country which is exposed to continuous pressure and foreign military aggression from the racist South African Government with the increasingly overt support of the Government of the United States.

Tommaso Rossi

The European Community cannot stand idly by while these attacks go on and it must be aware that Angola is a signatory to the Lomé Convention and is thus all the more entitled to be allowed to enjoy the principles of self-determination and non-interference in the internal affairs that these countries are afforded. The decision announced by the United States to provide various types of aid and support to Unita, the organization, supported by South Africa, which is pursuing the aim of destabilizing the situation in Angola is unacceptable, ladies and gentlemen, and must be rejected. For us the principle of self-determination of independence is absolutely irrefutable, particularly in the case of a people whose government is internationally recognized such as that of Angola.

Any action designed to destabilize the situation in Angola is to be condemned. This Parliament must clearly censure any act which violates the principle established in the Lomé III Convention embodying the respect of the sovereignty of the ACP countries and their right to determine freely their choice of political, social, cultural and economic options. The European Community has a role to play here — it must promote by adopting appropriate positions and action the establishment in the developing countries of genuine independence and freedom from any foreign interference and do so in conjunction with the provision of effective aid for the economic and social development of the countries concerned.

Mr Glinne (S). — (FR) Mr President, the so called policy of “constructive involvement”, which with a slight change in its vocabulary the Reagan Administration is adopting towards South Africa is inevitably confused and will also have very unfortunate repercussions for the neighbouring countries in Southern Africa. After years of unconcealed intervention by South African troops in support of Unita — in the form of equipment, air raids, assistance with logistics and armed invasions, we have the present United States Administration publicly declaring that it is studying a programme of intervention by the CIA in Angola to assist Unita. And yet, up to last summer, intervention by the CIA had been vetoed in a decision by Congress known as the “Clark Amendment”. This has been repealed; a bill has been put before Congress with a view to the granting of so called humanitarian aid totalling 27 million dollars to Unita, and the leading members of the Executive, President Reagan and Mr Schultz, the Secretary of State, have publicly declared that they are contemplating sending the CIA into Angola.

On 4 December 1985, the journalist, Jonathan Power, wrote in the “International Herald Tribune” — and I quote: “Mr Reagan is playing with fire. There is still time to reflect. It appears that the CIA has not yet been given its formal marching orders. For the sake of avoiding an all-out war in South Africa, Mr Reagan must change his mind.” On several occasions recently

“The Washington Post” has referred critically to what it calls the Administration’s “Angolan fantasy”. There is no doubt that intervention by the CIA — in conjunction with South Africa — in support of Unita would inevitably escalate the situation, not only in Angola, but throughout the whole region. And then what would become of the ambitious SADEC and Lomé regional integration and development projects? What political solution in accordance with international law and real self-determination would then be possible?

Recently, since, and I stress *since*, the statements by Mr Reagan and Mr Schultz, the Prime Minister of Zimbabwe, Mr Mugabe, was in Moscow negotiating arms supplies. Intervention by the CIA, if it were to be given the go-ahead, would trigger off the reinforcement of, rather than a reduction in the Cuban forces in Angola and would perhaps lead to a direct military confrontation between the South African and Cuban troops, with unpredictable but inevitably adverse consequences, as a result of the decision made by the Reagan Administration and also by the other Super Power.

It is also significant that there are plans to destabilize the government of Mr Samora Machel in Mozambique, according to a report in the Flemish socialist newspaper “De Morgen” on 9 November 1985, based on authentic documents belonging to the Zaire National Security Council, summarizing the content of a meeting between the President of Zaire and Mr Franck Wisner, US Under-Secretary of State for African Affairs, on 31 January 1985 in Kinshasa.

Mr President, only a few weeks have passed since the meeting of the Joint Committee of the Lomé Convention in Swaziland, and it is vital that our House should take a firm stand in favour of non-intervention, even by a superpower with the right of veto in the Security Council and the ability to block any attempt to apply Chapter VII of the United Nations Charter.

The Community, its institutions, its Member States and its Parliament must exert every effort to ensure the application by themselves and third parties of Article 2 of the Lomé Convention III which stipulates that the sovereignty of the ACP partners must be respected and asserts the right of each of them, including Angola and Mozambique, to freedom to make their own political, social, cultural and economic decisions.

(Applause)

Mr Habsburg (PPE). — (DE) Mr President, I was somewhat surprised by the comments of the two previous speakers because they created the impression that in their way of thinking there is good intervention and bad intervention, in other words the Cubans are promoting freedom and independence while at the same time some American activities are bringing about

Habsburg

destabilization pure and simple. Whoever knows the real situation knows that Cuban activities today form the sole basis for the continued existence of the Luanda Government. If the Cubans were not there and there were free elections in Angola there would be quite different majorities and we would be dealing with a normal government.

(Applause from the centre and the right)

This alone should prompt us to reflect on the fact that in Angola only 20% of the territory is held by Cubans and the current Luanda Government and this creates problems with which we will have to come to terms. We are not dealing with different people living either on one side or on the other. Whoever has had dealings with Angola knows the misery that exists there today. An incredible situation when you stop to think in how short a time a country can be brought to its knees. It is therefore vital that we forward humanitarian aid to the people of Angola irrespective of the side they are on. This is the essence of the motion tabled by Mrs Lentz-Cornette and Mr Cassidy. Help must be given but given to all sides, in other words not only to the cities but also to those areas where the people of Angola are now already living in freedom.

(Applause from the centre and the right)

Mr Pearce (ED). — Mr President, I want to see free elections in Angola. I want to see peace there and greater and greater prosperity. I certainly want to see the Soviets and the Cubans and all their ghastly military apparatus removed. I do not, however, agree that we should suspend aid to that country because that aid is mainly used for the correct purposes for which it was intended. I do not agree purposes for which it was intended. I do not agree that we should give aid to Unita, Mr Savimbi's movement.

The implication seems to be that Savimbi is in some way the natural proper leader of Angola and I don't accept that. There is no one leader until such time as elections there can be held. Angola is a sovereign State linked with the Community and I think it improper for the Community to associate itself with what is in a legal sense a rebel movement in that country. It is a precedent which we would not wish to see applied elsewhere in the world, let alone in our own countries and a precedent which I don't think we should apply to Angola.

Mr Cassidy (ED). — Mr President, on a point of order. Mr Pearce perhaps did not fully comprehend what Mrs Lentz-Cornette said earlier when she said that the phrase referring to the suspension of Community aid in the joint resolution was to be deleted. She similarly said that there would be a deletion of all references to aid to Dr Jonas Savimbi's Unita, etc. I hope that meets the points that concern Mr Pearce.

Mr Adamou (COM). — *(GR)* Mr President, Angola is an independent and sovereign country and a member of the United Nations Organization. It has a legal, internationally recognized government which pursues a consistent, peace-loving policy. It has never had any aims of conquest and does not attack its neighbours. On the other hand, Angola is the victim of constant incursions by the armed forces of racist South Africa, which continues, in contravention of the Lusaka Agreements, its illegal occupation of part of Angolan territory. The Praetoria racists have as precious allies in their attacks the Unita bandits, who receive backing from many sides, including the American CIA, with the common objective of destabilizing the situation, overthrowing the legal government and converting Angola into a base for actions against the peoples of Africa.

Both the American Congress and the President of the USA himself direct the subversive activity of the CIA, Unita and the Praetoria barbarians against the Angolan Government. The recent statements by the US Secretary of State fully confirm this dirty policy being pursued by the Washington leaders. With the pretext of giving allegedly humanitarian aid, such as that given to the Contras in Nicaragua, they hope to achieve their inhuman aims.

It was perfectly natural that the "humanitarians" in this House should listen to their master's voice from Washington and ask the Community to align itself with his policy, ignoring the fact that Angola is a signatory to Lomé III and that the Community should see to it that Article 2 of this Agreement is observed.

For these reasons the Members from the Greek Communist Party support both the motion for a resolution by the Communist and Allies Group and the corresponding motion by the Socialist Group, and of course their joint amendment.

Mrs Heinrich (ARC). — *(DE)* Mr President, ladies and gentlemen, my group is appalled at the one-sidedness with which the majority in the House consider violations of human rights and the sovereignty of countries in what is known as the Third World. One motion calls for the withdrawal of foreigners from Angola coupled with the statement to the effect that Unita is fighting for the liberation of Angola from foreign occupation. That is horse-trading.

No reference is made to the fact that the MPLA Government invited Cuban troops and foreign development experts to Angola to defend its sovereignty and develop the country — to defend Angola, a country continually the target of South African raids and destabilization activities. No reference to the fact that Unita is operating with the material, military and ideological support of the Apartheid Government in South Africa since in one motion there is a call for support for Unita as well. If the Angolan Government

Heinrich

were pro US, pro South Africa such as the governments in El Salvador or Guatemala or Turkey, the parliamentary majority in this House would month for month be condemning the Unita rebels as terrorists. Instead, they are to be given support, irrespective of whether such a move is illegal under international law, irrespective of whether it constitutes a violation of the Lomé III Convention, which requires the sovereignty of an ACP country to be respected. My group will support the motion tabled by the Socialists.

(Applause from the left)

Mr d'Ormesson (DR). — *(FR)* After the debate on Ethiopia, we turn our attention to Angola. These are two magnificent countries with immense prospects, inhabited by peace-loving peoples. These peoples are subjected to Communist tyranny, beset by famine, worn down by long years of civil war and, in ten years, have known nothing but war, suffering and grief. Inevitably, Unita has become the expression of the main resistance movement to communism formed by a Black nation, an army staffed only by Blacks, from the most senior officers down to the ranks.

And this resistance movement has to fight against an enormous Soviet-Cuban army, which is not fighting on its own soil. Instead of endlessly talking about human rights and threats to our liberties, the Council of Ministers, the European Parliament and the Commission would do well to make demands in international fora for negotiations between Luanda and Djamba, with a view to a cease-fire, the withdrawal of all foreign troops and free elections. Since they acquired their independence, the Angolans have never had a chance to express their views or vote. It is high time to show our desire for democracy, peace and liberty. If not, Mr Natali, we will be merely allowing Africa to drift into slavery and Europe into finlandization. My Group seconds the joint amendment tabled by Mrs Lentz-Cornette and Mr Cassidy.

(Applause from the right)

Mr Beyer de Ryke (L). — *(FR)* "Fuera los Cubanos de la patria de Angola. Fuera los Russos de la patria de Angola". Russians and Cubans out of Angola!

(Mixed reactions)

That, might say, is what is written on the banners flying in Djamba, the temporary capital of Unita. And that is what the Angolans are asking for, or at least, it is true, those Angolans who are in a position to express themselves, those who, in order to do so, offer armed resistance in the bush schools run by the underground movement. And there are others, whom I have met, even within the Luanda Government and army, who are trying to throw off the yoke of the Soviet-Cuban occupation. And their efforts are to be com-

mended! But although they can see the problem, they unfortunately have to admit that they are unable to think of a solution, let alone apply it. So the only resistance is that of Unita. We Europeans need to know who we are and what we want!

What is the point, my dear colleagues, of attempting to strengthen Europe by means of institutional reforms, if we isolate ourselves strategically and economically? What is the point if, not content with standing aside, we even go so far as to intervene to assist governments which are backed up the Soviet Union and its allies against people who are fighting in their own country to rid it of the Soviet Union's "Afrika-Korps?" That thought, Mr President, fills me with an anxiety, beside which that expressed by Mr Fabius pales into insignificance. And on this note I will conclude.

(Applause from the right)

Mr Sakellariou (S). — *(DE)* Mr President, since Mr Beyer de Ryke used a non-language at the beginning of his speech, I should like you to ensure that such momentous words are also translated in this Parliament.

President. — I doubt that it will affect the vote, but we shall attempt to include it in the minutes.

Mr Natali, Vice-President of the Commission. — *(IT)* Mr President, ladies and gentlemen, the situation in Southern Africa and Angola, in particular, is both delicate and difficult in the extreme. In January we shall debate the problem in detail both during the ACP-EEC parliamentary session and at the SADEC ministerial meeting.

We hope that we will then understand the problems more clearly and that solutions can be found which will bring peace and stability to the region without which the development of a policy based on growth and progress will prove impossible.

In the motions tabled questions have been raised which fall within the responsibility of the Commission and I shall therefore reply.

I should like to start by saying — and I hope that Mr Cassidy and Mrs Lentz-Cornette will forgive me — that we are happy to have been invited to provide information and called upon to exert pressure on the governments of Member States. I feel, however, that such an activity is incompatible with the role and function on the Commission. I am of course referring to points 4 and 5 in the motion tabled by Mr Cassidy. I should like to tell him quite frankly why I should not like to be reproached in the future for not having done something which Parliament asked of us.

Natali

The problem to which Mrs Lentz-Cornette and Mr Cassidy particularly referred concerns the Community aid which we are required to provide and which we attempt to provide for people everywhere.

I should like to point out to the House that we are already providing humanitarian aid to evacuees and refugees in large areas of Angola, including those subject to the direct control of the Luanda Government. These operations are carried out through the agency of the Office of the United Nations High Commissioner for Refugees and the International Red Cross Committee.

The agreements which the Red Cross has concluded with the Government for the distribution of humanitarian aid within Angola seems to have been well accepted by all concerned.

We are fully aware that significant needs still exist and we will attempt to meet these remaining needs in the future in accordance with the amendment to the resolution which has been tabled. Although I feel it unnecessary but I should nevertheless stress that it is our duty and contractual obligation to respect Article 2 of the Lomé Convention to which, as you know, Angola was also a signatory.

President. — The debate is closed.

(By successive votes Parliament rejected motions for resolutions Doc. B2-1168/85 and Doc. B2-1290/85 and adopted Amendment No 1 which replaced motions for resolutions Doc. B2-1332/85 and Doc. B2-1328/85)¹

European Foundation

President. — The next item is the motion for a resolution (Doc. B2-1334/85) by Mrs Veil and others on the European Foundation.

Mrs Veil (L). — (FR) Mr President, I shall try to be very quick.

I recall that on 29 March 1982, the Heads of State and Government, meeting in Brussels, very solemnly signed a document instituting a European Foundation. They gave a great prominence to that signature. I remember they had met to commemorate the twentieth anniversary of the signing of the Treaty of Rome

and they were very proud of that signature. And yet, a number of countries have still not ratified that Treaty.

There is talk of the people's Europe, but how can we foster the idea of a people's Europe, if that Europe disregards culture, and if there is no follow-up to the one, vaguely symbolic, gesture made in this direction, namely the institution of this Foundation?

That is why — since there is very soon to be a meeting of the Community's Ministers for Culture on 20 December 1985 — we are putting before the House a motion for a resolution that it be impressed upon the Ministers for Culture at this meeting that the text instituting the European Foundation for Culture must be signed as soon as possible, and that this Foundation then actually be set up.

Mr Kuijpers (ARC). — (NL) Mr President, ladies and gentlemen, I would like to point out a mistake in the text. It may not affect this debate, but it could have an adverse effect on subsequent discussions of the text.

Recital D states that "not all the national parliaments, notably those of the Federal Republic of Germany, the Netherlands and Belgium, have yet ratified the Agreement of 29 March 1982". I would draw your attention to the fact that the Belgian central government *has* ratified this text, but as it concerns a cultural matter it needs to be ratified by the regional Flemish and Walloon authorities as well. The text must therefore be amended on this point.

President. — We shall examine this question and amend the text if necessary.

Mrs Veil (L). — (FR) Yes, I think the text should be modified so that it does not simply mention Belgium but takes into account what we have been told, namely that Belgium has not effectively signed the Agreement because it involves a cultural matter.

President. — As I have said, we shall examine this matter and if Belgium has indeed ratified the Agreement, the reference will be deleted or amended.

Mr Fajardie (S). — (FR) Mr President, I think that this motion for an emergency resolution is most appropriate. The institution of the European Foundation suggested not long ago by the French Government and approved, I recall, by the Ten almost four years ago, has been given consideration by the Commission.

I myself have drawn up, on behalf of the Committee for Youth, Culture, Education, Information and Sport, a report which was adopted by Parliament last July. This report defines the terms on which our Par-

¹ Amendment No 1 was tabled by:

— Mr Glinne, Mr Vgenopoulos, Mr McGowan, Mrs van den Heuvel, Mrs Schmit, Mr Saby, Mr Fich, Mr Hänsch and Mr Didò on behalf of the Socialist Group;
— Mr Wurtz, Mr Trivelli and Mr Ephremidis on behalf of the Communist and Allies Group.

Fajardie

liament is prepared to be associated with the implementation of what, unfortunately, is still only a project. So, Mrs Veil is quite right, we must obviously stir ourselves. There can be no justification for postponing this concrete attempt at cultural coordination among our countries, because it could be a significant step forward on the road to European Union.

The Socialists are therefore entirely in agreement that the national parliaments which have not yet duly ratified the text be urged to do so, and also that the Ministers for Culture, who are soon to meet, be asked to take steps to ensure that this new institution will soon be functioning.

We sincerely believe that no effort should be spared since this is an opportunity to help speed up creation of Europe.

The European Foundation is a means of uniting people, languages, ideas and cultures, and can and should be a really effective instrument, but the first step is to set it up without further delay. The motion which has been put before us can help in this direction, and that is why we propose to approve it.

Mr Marck (PPE). — (NL) Mr President, I shall be very brief. Two comments: the first is that the ratification procedure has proven to be slow, showing that the method we have chosen to establish a European Foundation outside the Community institutions is totally wrong, and that we will have to pay for this in the future.

My second observation is that the Preparatory Committee is handling preparations in a way we cannot accept. It acts as if cultural policy was the sole area covered by the Foundation. However, the primary task of the Foundation is to foster the European idea among the European population. The fact that the diplomats and technocrats sitting on the Preparatory Committee are neglecting this task does not surprise us, after the debate on a citizens' Europe, but I think that we as politicians should point out that cultural policy is not the principal aim of the European Foundation. I would therefore call for attention to be given to this problem, and I have tabled an amendment to this effect.

Mr Natali, Vice-President of the Commission. — (IT) Mr President, the Commission shares the concern which has been expressed here and at the same time we endorse the European Parliament's appeal that this text be ratified as quickly as possible. The Commission will make a statement along these lines at the meeting of the Ministers of Culture which is to take place on 20 December 1985.

President. — The debate is closed.

(Parliament adopted the resolution)

(The sitting was suspended at 1 p.m. and resumed at 3.05 p.m.)

IN THE CHAIR: MRS PERY

Vice-President

3. Votes

Report (Doc. A2-40/85), drawn up by Mr Amadei on behalf of the Committee on the Rules of Procedure and Petitions, on the amendment to Rule 57 (2) of the Rules of Procedure

Explanation of vote

Mrs Hammerich (ARC), in writing. — (DA) If of this amendment to the rules of procedure is adopted, draft requests for urgent debate will no longer have to be translated into the official languages before the vote is taken. We are against any weakening in the standing of the national languages in EC cooperation and can therefore not support this report.

(Parliament adopted the resolution)

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Report (Doc. A2-33/85), drawn up by Mr Anastassopoulos on behalf of the Committee on the Rules of Procedure and Petitions, on the amendment to Rule 85 of the Rules of Procedure

Mr Anastassopoulos (PPE), rapporteur. — (GR) I should like to ask the House to take account of two points before we vote. The first concerns a correction to the Greek text of Amendment No 2 which is before the House. The Greek text reads *during the discussion of the agenda*, whereas in the English, French and other versions it reads *during a discussion of the draft agenda*. The wording is quite important, and so I would ask for it to be corrected.

The second point to which I should like to draw Parliament's attention concerns another amendment which was tabled but was not accepted by the Presidency under Rule 112 of the Rules of Procedure. It was an amendment seeking to change the second subparagraph of Rule 56 (2) so as to avoid any confusion after the amendment which is proposed to Rule 85.

The President's Office has told me that even without this amendment — which for formal reasons it thinks should not be put to the vote — there will be no confusion because Rule 56 (2) states:

Anastassopoulos

If a procedural motion to amend the agenda is rejected, it shall not be tabled again during the same part-session.

But this is after the agenda has been adopted, and so there is a difference: the amendment which I have put to the House refers to the draft agenda and comes under the provisions of Rule 56 (1). But we are talking about the draft agenda, and so this means, in accordance with Rule 56 (2), that the agenda can no longer be amended except in the cases referred to in Rules 84 to 88. This means that if a proposal to amend the draft agenda is rejected under Rule 56, it is still possible to submit it under Rule 85.

I wanted to draw attention to this point since it has given rise to some doubts among my colleagues, and I hope that this reasoned interpretation settles the matter.

President. — As far as your first remark is concerned, Mr Anastassopoulos, I would suggest that you take as your basic text the French version which actually refers to the draft agenda. As for your second remark, and in agreement with the registrar, we have taken note of what you said and we agree with it.

(Parliament adopted the resolution)

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Report (Doc. A2-68/85), drawn up by Mr Rothley on behalf of the Committee on the Rules of Procedure and Petitions, on Rule 33 of the Rules of Procedure

Explanation of vote

Mrs Hammerich (ARC), in writing — (DA) We opposed Rule 33 when it was first incorporated into the Rules of Procedure, because it delegated powers of decision to Parliament's committees. Now the plan is to extend these powers to allow the committees to take decisions not only on technical matters but also on controversial issues. This is totally unacceptable, seeing that not all Member States are represented on all the committees. The smaller countries find it difficult to cover all the committees — for example, after 1 January 1986 Denmark will only have 16 of the 518 seats. We would then risk special Danish interests and conditions being simply ignored when the committees take their decisions. We therefore cannot support this report.

(Parliament adopted the resolution)

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Report (Doc. A2-67/85), drawn up by Mr Rothley on behalf of the Committee on the Rules of Procedure and Petitions, on Rule 34 of the Rules of Procedure: adopted

4. 1986 budget-votes

President. — The next item is the vote on the draft general budget of the European Communities for 1986, as modified by the Council.

Mr Juncker, President-in-Office of the Council. — (FR) Madam President, I have requested the floor in order to explain the efforts made by the Council President and the Council itself to reach agreement with your House on the 1986 budget.

I appeared before you in October to let you know the results of the Council's first reading. You will no doubt remember that during its first reading the Council agreed to a maximum increase rate for the budget of 7.1%, something you criticized at the time. You will remember that the Council President, quite unusually, supported your criticism of this Council decision. This was because I felt that the appropriations proposed by the Council at first reading were insufficient to cover the financial effects of enlargement and the cost of the past. On that occasion I pledged to do my utmost during the second reading to persuade the Council not to repeat the mistakes it made in its first reading, but some of you doubted the Presidency's determination to make the Council see reason.

During Parliament's first reading your Commission on Budgets replied and let the Council know its opinion. As you know, the Council did not accept all the amendments submitted by Parliament. However, during its second reading the Council raised to 20.5% the maximum increase rate, which during the first reading was, I would remind you, 7.1% for payment appropriations, and here I am speaking about non-compulsory expenditure. The Presidency had a difficult time achieving this result.

The Members of this House, and especially those who have belonged to the Council of Ministers, know how difficult it is to obtain a qualified majority within the Budget Council. I obtained this qualified majority after 21 hours of tough negotiation.

I will now say something that one should never say: the qualified majority I obtained during the Council's second reading differs from the other qualified majorities which all my predecessors brought about within the Budget Council because, for the first time, a Member State which had previously been in favour of the Council's draft budget voted against, while two other Members who had previously been against the Council draft voted for.

Juncker

I believed that this outcome was a remarkable effort on the part of the Council and a major step in the direction of your Assembly. Those among you who were able to attend the conciliation meetings are well aware of the great discrepancies between the positions of the various national delegations, and should be able to judge the intense efforts which the Presidency had to undertake to obtain a qualified majority at the Council's second reading for a maximum increase rate of 20.5%.

When the negotiations of 26 and 27 November were over and the Finance Ministers were leaving Brussels, most of them wished me a Merry Christmas and a Happy New Year, and said they hoped the Council would not have to meet a third time. Among those who were kind enough to wish me all the best were those who had made it possible for the Presidents-in-Office to reach their qualified majority. Despite this, and following various meetings I had with your President, Mr Pflimlin, and with your Committee on Budgets, I myself decided to disregard the recommendations made to me — even by those who had made it possible for me to achieve a qualified majority during the second reading — and to call a third Budget Council meeting in Strasbourg. This was, by the way, the first time that a Luxembourg President had convened a Council meeting in Strasbourg.

I had to use all my powers of persuasion to get the twelve Finance Ministers to come to Strasbourg: most of them told me they had said their last word on the subject during the Council's second reading.

As a rule, the representatives of countries the size of the one it is my honour to represent in the Council are men of compromise because it is through compromises that small nations survive. My main concern has always been to achieve compromise. I told your President so, as I did your Committee on Budgets, and it was because of my desire for compromise that I decided to call a meeting of the Council in Strasbourg and agreed with your President, Mr Pflimlin, that we should organize a last-chance meeting, by which I mean last night's conciliation meeting.

During this meeting Parliament put forward a number of proposals, calling on the Council to add an additional 569 million ECU to the figures resulting from its second reading — and here I am talking about non-compulsory expenditure and payment appropriations.

I called a meeting of my Council colleagues last night, and in order to give you an idea of the atmosphere of our deliberations I would simply say that the Council was loath to reply to this proposal from the parliamentary delegation. But the Council gave me a brief — which certain people with a sense of humour have described as an exploratory brief — and asked me to meet your parliamentary delegation to negotiate, on my own head, an agreement with it, indicating that if this agreement did not exceed the expectations of the var-

ious parties within the Council, then the Council would approve this agreement.

When I asked my colleagues to define the scope of my brief more precisely, several delegations — and by no means the least important — told me that the most they could accept was adherence to Parliament's margin of manoeuvre. Many within the Council thought they were making a great concession by offering Parliament something which is its by right, i.e. its margin for manoeuvre.

Because of this I rejected this exploratory brief. However, my colleagues demonstrated their confidence in me — and they were not just going through the motions, or at least I hope they weren't — by asking me to meet the delegation from Parliament to negotiate an agreement and to return to the Council, on the understanding that the parliamentary delegation which I was to meet last night would not only have a mandate to negotiate but also to conclude agreements. I had, by the way, brought this up with your President, Mr Pflimlin, during the conciliation meeting.

You know the proposals made to your delegation by the Council Presidency. Of the 569 million ECU which the Parliamentary delegation proposed to us at the conciliation meeting, I had managed to retain 242 million ECU which includes, Mrs Barbarella, Parliament's margin for manoeuvre.

It has become clear to me today that the stand, taken by the Council President during this final round of negotiations with your delegation, is not very well known and, after speaking to a number of parliamentarians, I feel there is a need to add to the information at your Assembly's disposal. I do not think any one could refuse the Council President permission to inform this House of the decisions taken at third reading by the Budget Council. But before going into detail on this, I would just like to tell you one thing: the proposals I made to the parliamentary delegation did not meet with the agreement of all delegation members. In line with the brief conferred upon me I saw that the negotiations had broken down and I went back to my Budget Council colleagues, who told me that if there had been a breakdown then the proposal which the Council would be putting before your Assembly would be that resulting from the Council's second reading, i.e. a maximum increase rate of 20.5%. Despite this I proposed that the Council make one last final effort and — exceeding my brief — I asked the Council to make sure the President would have a qualified majority, a majority which was not obtained in advance, for the proposals he had made to Parliament.

During the night I sent a message to the Committee on Budgets, saying that despite the breakdown in negotiations between the Council and the Assembly, the Council had agreed by a qualified majority to the proposals I had made in my own personal capacity to

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the parliament delegation. And here I would point out that of the ten Member States which now have voting rights on the Council, nine had agreed to the Presidency's proposals, including those Countries which are major structural fund recipients.

(Applause)

Madam President, I would like to tell this House a little more about the Council's final proposal so that everyone within this chamber and outside it knows the ultimate effort which the Council made to reach agreement with Parliament on the 1986 budget.

During its third reading the Council agreed to Parliament's margin being used in line with the vote taken by the Committee on Budgets on 9 December. In other words, the Council agreed that, in keeping with the decision of the Committee on Budgets, Parliament would enter 196 million ECU from its margin and 92 million ECU in payment appropriations. As for the structural funds, and this is mainly a problem of the cost of the past, among other things, the Council accepted a compromise by proposing to this House — as I did during the negotiations with your delegation — an extra 150 million ECU.

During the conciliation meeting with Parliament both sides agreed that both Parliament and Council were eager to ensure smooth operation of the structural funds in 1986. And I can tell you that I know what I am talking about when I speak about the structural funds. I am not only the minister in charge of my country's budget but I am above all its Labour Minister, and when people speak to me about the Social Fund, then I know what is involved. I have always drawn my colleagues' attention to the need for a considerable increase in the appropriations for the Social Fund because, as the Chairman of your Committee on Budgets, Mr Jean-Pierre Cot, rightly said just now, we are talking here about financing the Community's instruments of solidarity. This is why I asked my fellow Labour Ministers, when we met last week in Brussels for a Social Affairs Council, to impress upon their respective Finance Ministers that in 1986 the Council should, if need be, provide the extra finance found to be lacking for the structural funds, especially the Social Fund, over and above the probable outcome of its third reading.

Yesterday, following a recommendation made by your delegation during the meeting with Parliament, I managed to get a joint Council-Parliament declaration adopted, which I would like to read out.

The Parliament and the Council, while respecting the regulations currently in force, undertake to provide the necessary financial resources to ensure the uninterrupted normal operation of the structural funds in 1986; to this end the Commission should submit its report on the state of the structural funds and their requirements in March 1986.

The Council and the Parliament will immediately take the necessary measures to uphold this commitment.

As I told you, Madam President, ladies and gentlemen, I managed to obtain a qualified majority for this compromise proposal, which the Council President had submitted to the parliamentary delegation, and what is more I was able to obtain the agreement of nine governments out of ten, and in particular of those governments which are structural fund recipients. Why did these structural fund recipient countries agree to my proposals? It is because as part of the proposal I made the Council committed itself to a policy of ensuring the smooth operation of the structural funds in 1986 by adding, in comparison to its first reading, 550 million ECU for the structural funds and coupling these proposals with a declaration reflecting the policy commitment of the Council and the Parliament to add in 1986, if need be, the additional financial resources required to ensure the smooth operation of the structural funds. Assured by this policy commitment from the Council contained in my proposal, and me taken on board by Parliament, the structural fund recipient governments chose the path of compromise.

During the budget debate on Monday and Tuesday all the speakers, or almost all, told me that they were in favour of compromise. I myself was eager to find the threshold at which compromise was possible. I gave the parliamentary delegation specific proposals, containing exact figures which were adopted by the Council during its meeting for the third reading, held last night early this morning. Therefore, I would ask you to take note both of the efforts made by the Parliament to accommodate the Council and those made by the Council to accommodate your Parliament.

No-one can say that the Council did not give ground, just as one cannot say that Parliament did not give ground. The two arms of the budgetary authority have so far been searching for a compromise, and I cannot believe that just because we differ over 200 or 300 million ECU we would risk inter-institutional conflict when we are all in favour of compromise and determined to reach agreement. And I have to say, Mr Arndt, that it is more difficult to obtain a qualified majority within the Council than it is to obtain majorities within Parliament. That is something you must bear in mind.

As for the maximum rate and basis for assessment of non-compulsory expenditure for future financial years, the Council has adopted its second-reading decisions, i.e. it has proposed to this House to eliminate the effect of the cost of the past from future assessments. Madam President, what I wanted to explain to this House was not so much the efforts made by the Presidency — because that is what the Presidency is there for — but more what went on between the two arms of the budgetary authority. I also wanted to reply to Parliament's criticism, admit-

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tedly justified, concerning the smooth operation of the structural funds, by giving you the Council's reply, which I put to the parliamentary delegation and which consists of entering into a policy commitment to ensure smooth operation of these funds in 1986.

And now I ask myself what it is that still divides us? We agree on the need to ensure the smooth operation of the structural funds. The Council has proposed ways of doing this, and it requests your help in avoiding a serious inter-institutional crisis between the two arms of the budgetary authority over sums which, when all is said and done, are of great political importance but are less important financially.

Well, what would be the consequences of a conflict between the two arms of the budgetary authority? You cannot ignore the provisions of the Treaties, which lay down joint decisions, for maximum rate increases. And I've told you — but I ask you not to take this reminder as a Council threat to Parliament — I told you that the Council, or certain Member States, would take the dispute, which threatens to break out between the two arms of the budgetary authority, before the Court of Justice. I said this earlier, and I received confirmation of it yesterday.

This is not a threat, this is information I have to give to your Parliament. We must look at the financial consequences of a conflict between the two branches of the budgetary authority. The Commission would have the greatest of difficulty in managing the budget if there were no agreement between the two. I would not go as far as to say that certain Member States might contemplate stopping their payments in January. I would not go as far as this because this is a decision for the Member States and not for the Council President.

I submitted the results of the first reading to this Parliament. I was here throughout the budgetary debate at your first reading. I appeared three times before your Committee on Budgets. I was here for the debates of your second reading. I have had a lot of formal and informal contacts with the Members of this House. We have undertaken a lot of efforts because this was our task. You will therefore allow someone who is unable to take part in the budget debate in his own national Parliament, although he is the Budget Minister, to explain to you — before you vote on the draft budget — the proposals he made to your delegation. I would ask you to take what I have said into consideration. On behalf of the Council I formally move that Parliament accept the proposals made by the Council at third reading, which raise to 24% the maximum increase rate of 7.1% decided upon at first reading. I would be happy if the honourable Members could take the Council proposals on board in the form of amendments.

Throughout this whole budget procedure I have worked to achieve a compromise. I have not lost hope

of our reaching agreement today on the exact content of the 1986 draft budget, thus avoiding a serious institutional crisis.

(Applause)

President. — Speaking from the Chair, I should like to thank you for your speech, Mr Juncker.

I have received two requests which to my mind both seem admissible. The situation is one which personally I have never encountered before. On the one hand, ladies and gentlemen, I have received from Mrs Veil a request for a procedural motion, which is quite in order, on the basis of Rule 88. I have also received from a number of Members other requests, which are quite admissible, seeking to apply Rule 40 and calling for a 30-minute debate following the statement by the Council. Let me make a proposal, and in an attempt to gain time let me first of all call on Mrs Veil.

Mrs Veil (L). — *(FR)* Madam President, my request will be very brief. It seems to me that there is a great deal of confusion at the moment. It was an impression I had even before we came into the Chamber. The vote on this budget is extremely important, not only for Parliament but for all the institutions. I should like the sitting to be adjourned until four o'clock so that the group chairmen may confer.

President. — Under Rule 88 Mrs Veil's request is entirely in order. But I must add that the request I have received on the basis of Rule 40 is also in order.

(Mixed reactions)

Before the vote is taken, I shall give the floor to those who wish to speak on a point of order.

Mr Klepsch (PPE). — *(DE)* Madam President, it is somewhat unusual in a situation of this kind not to call the rapporteur before we make any decisions. We have never done this before, and I therefore expect the rapporteur to be called before we vote.

Mr Arndt (S). — *(DE)* Madam President, according to my copy of the Rules of Procedure everyone is entitled to put questions here without a vote being taken. I should be grateful if these questions could be put and if the rapporteur were given the opportunity to be the first to put them. Only after that should Mrs Veil's proposal be taken up, to suspend the sitting for 15 minutes. It should not be done the other way round, because then another adjournment might prove necessary. I should be grateful if we could now slowly but carefully get on with the vote on the budget.

Mrs Barbarella (COM). — *(IT)* Madam President, Rule 40 of the Rules of Procedure, which you applied

Barbarella

in giving the floor to the President-in-Office of the Council, refers specifically to political cooperation . . .

(Protests from various quarters)

The point is that we are now dealing with the budget and we have to get on with the vote on the budget. It is my view that the course you have followed is inadmissible.

President. — Ladies and gentlemen, let me go back to my two suggestions, which are in line with what you have just said. The two requests are admissible. But, contrary to what Mr Arndt said, it is not laid down that there must be a debate. It is for Parliament to decide, for Rule 40 states quite clearly:

Unless Parliament decides otherwise, such a statement shall not be followed by a debate.

It is not inevitable, therefore. I have to ask the House to vote on the proposal. I hope that we all agree on the interpretation of Rule 40(2), but let me first of all call the rapporteur.

Mr Christodoulou (PPE), general rapporteur. — (GR) Madam President, I simply wish to put certain matters to the House and enlarge on certain points which may not have been made absolutely clear.

First of all I should like to ask the President-in-Office to consider that we need both him personally and the Council and that the efforts which have been made to arrive at a conclusion . . .

President. — I did not want you to speak on the subject itself but on whether we should hold a debate.

Mr Anastassopoulos (PPE). — (GR) Madam President, I am afraid we are unable to agree with your interpretation. Rule 40 which you have invoked states that Parliament is indeed entitled to vote on the statement by the President-in-Office of the Council of Ministers — and I should like, if I may, to express my disagreement with Mrs Barbarella, who has not read the rule properly. The rule states:

Members of the Commission and the Council and the Foreign Ministers meeting in Political Cooperation,

and so the President's interpretation was correct. In any case, Rule 40 lays down that Parliament should vote on whether there is to be a debate or not. But the second sentence states, in the English version, *Members may, however*, and in the French version *cependant*. In my view — and I put it to you and to the House — this is, as I believe Mr Arndt said earlier, independent of the decision by Parliament on whether or not a debate is to follow. Irrespective of this de-

cision, the Members of the House have the right to ask clarifying questions for 30 minutes. We are dealing with two separate matters here.

President. — I put to the vote the request to apply Rule 40(2) seeking to allow Members to ask questions for 30 minutes.

(Parliament agreed to the request)

Mr de la Malène (RDE). — (FR) Madam President, I am sorry but I must question the way in which you are conducting this debate.

(Mixed reactions)

It is my right. It is not your opinion, of course, but it is my right. Rule 40 states: The President shall decide when the statement may be made.

You decided — and this is what I am questioning, Madam President — to allow the President-in-Office of the Council to take up much of our time. As a result of your decision, we are now going to have a discussion for 30 minutes and then Mrs Veil is going to ask for an adjournment. When are we going to start the vote on the budget, Madam President? What time will it be, and who is going to be here? This is a way of altering the result which I cannot accept. The House will be voting in irregular circumstances. We know, Madam President, that it will be difficult to achieve a majority. It is obvious that if you introduce a procedure which is going to prolong the debate — and we all know what that means on a Thursday afternoon — and which disrupts the agenda, the fact is that it will affect the decision of this Parliament. That is what I do not like.

(Mixed reactions)

President. — Mr de la Malène, with all due respect I should like to point out that you have just prolonged the debate by a couple of minutes.

Now, let us get on with the questions.

Mr Christodoulou (PPE), general rapporteur. — (GR) I should like to ask the President-in-Office not to think that we do not need him, as he stated at the beginning of his speech. We do need him, and I think that he, not personally but as the President-in-Office of the Council, needs us. And we have tried in the same way as he has — and we acknowledge this — to achieve agreement. Thus we recognize that he has made a very great effort, but we ask him to recognize our efforts also. But, ladies and gentlemen, the problem was not simply whether there would be agreement for agreement's sake. We wanted an agreement which would retain the basic principles on which we decided.

Christodoulou

And I would remind you of these two basic principles: firstly, there should continue to be correct, fair and constructive development of the Community's structural funds, and secondly, the enlargement of the Community should be trouble-free.

These were the two basic elements underlying Parliament's whole policy on the budget. I should now like to say that the proposals we have received from the Council were proposals which might well require a very great effort but which were not the ones we were expecting. And the fact we agreed not to accept them does not mean that we do not want to negotiate or that we do not want to achieve agreement. They simply were not what we wanted.

By way of explanation, what we wanted was proposals involving amounts which were adequate to enable the structural funds and the enlargement to progress unhindered. In the Committee on Budgets we therefore considered that the proposal from the Council was inadequate. We also wanted a clear, specific and very definite commitment by the Council that if — as was certain to happen — the chapters and items made available for these two objectives were not adequate, supplementary budgets would be adopted in time to fill these gaps. The Council did not agree to these two demands.

The Council gave us proposals which fell far short of what we expected, and its commitment was anything but clear and involved certain time limits. Consequently, if we accept these proposals, we will not be in line either with Parliament's policy or with the mandate given to us by Parliament with a view to the negotiations. And this is the only reason why we have been forced, to our great regret, to reject them. I do not, therefore, consider it appropriate during our current debates that we should now begin to generalize, to say that we should never come to an agreement again, etc. There will always be debates and negotiations between the Council and Parliament, ladies and gentlemen, and we will achieve agreement when what is granted to us is reliable and adequate, whereas if that is not the case, we will not agree and each one will assume his responsibilities. The rest is beside the point.

(Applause)

Mr Pitt (S). — Madam President, I just wanted to say that since I am neither French nor a European Democrat, I withdraw in the interest of progress.

Mr Cot (S), chairman of the Committee on Budgets. — *(FR)* I was going to pay tribute to the efforts of the President-in-Office of the Council, but this is not the time and place. I have no question to put to him, and I therefore withdraw.

Mr Fich (S). — *(DA)* Madam President, we have heard about the move made by the Council of Ministers last night, a move which I personally consider to have been reasonable. I believe that one question is crucial to the rest of the debate, and I should therefore like to put that question: can the Vice-President of the Commission tell us what the Commission thinks of this compromise? Would the Commission prefer to live with this 242 million ECU compromise, or would it prefer the matter to blow up into a crisis? I believe that this question must be answered before we vote.

Mr Griffiths (S). — Madam President, I just want to know exactly what procedure is going to be adopted to put these extremely late amendments — if they can be called that — to the House. I cannot see any provision in our Rules for this. I have listened carefully to the President-in-Office and although I have made some notes of the proposals he put to us, I cannot be absolutely sure that I have grasped every aspect of the proposals he made to the House in his rather long speech this afternoon.

Mr Welsh (ED). — Madam President, may I ask the President-in-Office to confirm what I thought he said, namely that if we adopt the Committee on Budgets' amendment it will be an illegal budget? I should then like to ask the rapporteur to comment on his reply.

Mr Curry (ED). — May I ask the President-in-Office if it is true that there is expected to be a surplus in EAGGF Guarantees this year of between 300 million and 350 million units of account? Could that money be transferred to structural fund lines in the 1985 budget and subsequently rolled into the 1986 financial year to help that problem?

President. — I should now like to give the President-in-Office of the Council the opportunity to reply briefly to these questions.

Mr Juncker, President-in-Office of the Council. — *(FR)* Madam President, ladies and gentlemen, it is my impression that I have already answered your questions earlier. I made a point of replying to Parliament's criticism on the operation of the structural funds. Having done so, I do not wish to speak further.

President. — Let me answer your question in person, Mr Griffiths. We shall of course vote only on the amendments which were tabled in time and in writing.

Lady Elles (ED). — Madam President, should there be a suspension on Mrs Veil's proposal and should there be a proposal for a new compromise amendment? I believe that under Rule 74(4) that could be

Elles

acceptable to the House, should the House so decide on a proposal from the President. Therefore, I should not like to agree with you at this moment that only those amendments that are now before the House are acceptable. It is possible, by agreement of the House, to accept further amendments.

President. — I made it clear, Lady Elles: at this point in time in the debate.

Mrs Veil, do you still request an adjournment?

Mrs Veil (L). — (FR) Yes, Madam President.

President. — Are you asking for quarter of an hour?

Mrs Veil (L). — (FR) For 20 minutes.

President. — We shall now take a vote on the request to suspend the sitting for 20 minutes.

Mr Prout (ED). — Madam President, it has always been the convention in this House that when a group leader asks for a suspension, it is granted without vote. That has always been the convention. It would be a great pity, despite the fact that passions are aroused, if we broke that convention.

President. — Mr Prout, we are not discussing the principle of a suspension, but how long it should last.

(Parliament agreed to a 20-minute suspension — the sitting was suspended at 4.10 p.m. and resumed at 4.30 p.m.)

Mr Fich (S). — (DA) Madam President, I do not wish to drag this matter out any longer, I simply want to say that I put a question to the Commission which I consider to be crucial to the vote which is due to take place. It is important that we get an answer from the Commissioner.

President. — Mr Fich, the debate was closed yesterday. Your request cannot be considered admissible.

We shall now move on to the vote.

I have received from Mr Tomlinson and others a motion for a resolution (Doc. B2-1258/85) seeking to reject outright the draft general budget of the European Communities for the financial year 1986, pursuant to Article 203(8) of the EEC Treaty.

(Parliament rejected the motion for a resolution)

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Amendments and modifications to the draft general budget of the European Communities for the financial year 1986, as modified by the Council

IN THE CHAIR: LADY ELLES

Vice-President

Title 3 — Article 313

Before the vote on Amendment No 122

Mr Christodoulou (PPE), general rapporteur. — (GR) Ladies and gentlemen, I should like to draw your attention to this amendment. I also wish to state that we endeavoured to come to an agreement with the Council and that is what we still want, and I should like to ask you not to consider voting for the amendment as an attempt to create conflicts. We are trying to provide solutions to problems and we are doing all we can to retain the basic principles underlying Parliament's policy on this year's budget.

I would therefore appeal to all those Members who have different interpretations and have reasons for voting against the amendment to reconsider, since the larger the majority we get the better it will be if we want to provide solutions to the problems we are faced with.

(Applause)

After the vote on the draft general budget as a whole

Mr Juncker, President-in-Office of the Council. — (FR) Madam President, ladies and gentlemen, in view of Parliament's busy agenda, what I have to say will be very brief.

I have noted the vote by Parliament which has rejected the proposals I made on behalf of the Council. The proposal I made at the beginning of this afternoon's proceedings was conditional. The Council accordingly reverts to the position it adopted at the second reading on 26 and 27 November.

I shall at this point simply reserve every right of the Council to act in accordance with the provisions of the treaties.

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Report (Doc. A2-189/85), drawn up by Mr Christodoulou on behalf of the Committee on Budgets, on the draft general budget of the European Communities for

Juncker

the financial year 1986, Section III — Commission, as modified by the Council (Doc. C2-130/85)

Explanations of vote

Mr Langes (PPE). — (DE) Madam President, ladies and gentlemen, the European Parliament has just adopted the 1986 budget. Its adoption was achieved with a large majority, which is fortunate since it is the will of the European Parliament that the European Community now has a budget with which to enter 1986, the year in which Spain and Portugal join us as new members. I consider this an important step as it stresses our desire to work for this European Community as well as our intention to play a part in determining the political activities of this Community.

To the President-in-Office of the Council I should like to say that we have never left any doubt that we are in favour of cooperation. Once the difficulties of this morning and last night have receded into the past you will doubtless also welcome the fact that the substantial majority in Parliament will help you to convince your colleagues that the regional and social funds are for us more than a mere financial tool.

(Applause)

These are the funds by which we — and I come from what is termed a rich country — feel that the solidarity of the rich countries with the less affluent countries of the Community can be demonstrated. It has always been Parliament's aim not only to ensure the political survival of these funds but also to make them more efficient. It is for this reason, Mr President-in-Office, that most of the Members of this Parliament reject your proposals for compromise. We feel that you now have the basis for implementing the 1986 budget jointly with Parliament. This is my hope and this is why I should like to wish you a happy new year!

(Applause)

President. — Thank you, Mr Langes! I am sure the House would wish me to wish you a Happy Christmas and New Year in return!

Mr Pasty (RDE). — (FR) Madam President, ladies and gentlemen, before the vote which will close for 1985 the procedure concerning the 1986 budget, I would like to pay particular tribute to our rapporteur, Mr Christodoulou.

(Loud applause)

We knew that he was a wise seafarer, used to the sudden and unexpected storms of the Aegean Sea, and he has managed to withstand the storms and, despite all opposition, steer a clear policy course.

Our Parliament, by virtue of its powers of co-decision on budget matters, cannot allow itself to become party to strangulation of the structural funds. However, this is the situation we would find ourselves in if we allowed ourselves to be won over to the final compromise proposed to us, which provides nothing like what is necessary for the proper working of the structural funds during the 1986 financial year.

As far as the appropriations for commitment are concerned, we can no longer stand by and watch the structural funds dry up, something which jeopardizes the normal development of the integrated Mediterranean programmes.

It was for these reasons that our group supported the amendment moved by Mr Christodoulou, one which received a very large majority. And it is for these reasons that our Group will vote unanimously in favour of the motion for a resolution, thus expressing on behalf of a very large majority in this House its approval and its esteem for the work done by the rapporteur.

(Applause)

Mr Tomlinson (S). — I would like to begin by congratulating the rapporteur. I must say I didn't really expect to find in this budgetary process that a Greek banker had more consistency in his philosophical approach to this budget than some of my Socialist Group colleagues! I congratulate him on it, he has done a first class job.

But this is still an inadequate budget because it encapsulates totally unjustified profligacy for agricultural guarantees and fails to deal with the real problems of many of the citizens of Europe. And despite the gutlessness of many who talked up at first reading and collapsed before the second reading, I believe this House has done as much as was possible to ensure two basic principles, first, that the rights of the entrant countries of Spain and Portugal be protected by this House and second, a proper continuation of the structural funds.

But this budget is still inadequate. It is not an annual budget, there is already an inbuilt imperative of supplementary and amending finance. Might I respectfully suggest to the President-in-Office of the Council that he puts it to some of his colleagues in the Council of Ministers that if during 1986 they commence their relationships with this House in budgetary matters with the same degree of incompetence and neglect of their duty to the citizens of Europe as they have done this year, then the battle will be longer and harder. Many people here recognize that this House does not need to carry on whining about additional powers. What it has got to do is to develop the political will to use the powers it already has. I think in their actions today some of my colleagues have learned that lesson.

Mr Verbeek (ARC). — (NL) The European Parliament has at least stood up to the Council. It has not accepted the further dismantling of the Social and Regional Funds. Parliament also has nothing to fear before the Court of Justice, since the budget has to meet those political promises made with such largesse by the Council. The amounts that Parliament is allowed to decide on are just small change compared with the sums circulating in the EEC and the Member States. Despite the resistance put up by Parliament, the 1986 budget in this second reading is far too unbalanced and not nearly enough. Outside the Social and Regional Fund, development aid gets only a miserly crumb, and alternative energies receive virtually nothing compared with nuclear energy. Research into social, ecological and safety technologies also receives practically nothing in comparison with such mythical saviours as Eureka, Brite, Esprit and the like. Agriculture swallows everything, but instead of benefiting traditional or old farms all the funds go to those senseless and irrational agro-industries that shame the EEC before the entire civilized world. For these reasons, the Rainbow Group opposes this budget. However, the Council would like nothing better than for this budget to be rejected. Consequently, we shall vote against the Council and for the budget.

Mr Papoutsis (S). — (GR) We shall vote for the budget, not because we think it is the best possible budget in its form and political approach but because, in fact, it is the last attempt at ensuring the survival of the structural funds. We shall vote for it in order to avoid the policy of inconsistency proposed by the Council, the policy of arbitrarily funding the policies under the weight of pressure and blackmail.

It must be said, however, that the present disagreement between Parliament and the Council on the budget is not a coincidence. It expresses the opposition of the workers and peoples of Europe, to the extent that their voice is heard in this Parliament, to the Council's policy of blocking any advance. In conclusion, Madam President, I should like to thank the general rapporteur, Mr Christodoulou, on behalf of the Greek Socialist Members for his truly splendid effort to ensure that the policies of the European Parliament acquire a financial basis.

Mr Saby (S). — (FR) Madam President, I deplore the fact that our institution took the initiative to break off conciliation with the Council.

I would like to congratulate the Council here and now on the extraordinary amount of work it has put in to move its positions closer to Parliament's. In view of the fact that our institution has fought for years to obtain a budgetary conciliation procedure, I am flabbergasted that when, for the first time in several years the Council takes a step forward bringing it closer than it has ever been to us, at the moment when it

makes a formal policy commitment to resolve our problems, that we unilaterally decide to break off contact.

Ladies and gentlemen, I do not find this to be a responsible attitude and I am worried. What will the Council of 16 think of our demand yesterday for an increase in our Assembly's powers?!

You will of course reply, ladies and gentlemen, that if we had a say on revenue then we might perhaps take a more responsible attitude. I'll believe you, I'll accept that, but will the Council believe and accept it? That's a different matter.

In any case, as for the Intergovernmental Conference, the French Socialists will not vote for Mr Christodoulou's report.

Mr Price (ED). — In June 1982 the Presidents of the Commission, the Council and Parliament signed a joint declaration which covers the situation in which we now find ourselves. Under that agreement a new maximum rate is required to complete the procedure under the Treaty and enable the President of Parliament to sign the budget with the inclusion of the amendments adopted today. The joint declaration signed by President Dankert on behalf of this Parliament provides that in this situation the three Presidents shall meet immediately. It continues, and I quote:

Every effort shall be made to identify those elements on which the budgetary authority can agree so that the budgetary procedure can be completed before the end of the year.

The reference to *elements* being agreed indicates that a compromise is foreseen as possible. The text then provides that if agreement has not been reached by 31 December the budgetary authority shall continue its efforts to reach agreement.

The votes today mean that we have required our President to embark on a very difficult and perhaps lengthy round of negotiations. I consider that the attitudes of both the Council and this Parliament have set him an unreasonably difficult task in carrying out those negotiations and quite independently in fulfilling his responsibilities under the Treaty. For that reason, I shall vote against this motion for a resolution. But I wish him well in his endeavours in the interests of the Community as a whole.

Mrs Tove Nielsen (L). — (DA) I personally cannot accept that we should be forced into a crisis between Parliament and the Council of Ministers. Moreover, we must not forget that we will be faced with enormous challenges and particularly important work to do on 1 January, when Spain and Portugal join the

Tove Nielsen

Community. This is a further reason, why we should not plunge into further difficulties. On many occasions, as recently as yesterday here in Parliament, we have stated that we want more power. But we saw after the Luxembourg summit that the Council was not prepared to give us more power. We want power but, having said that, I should add that in my opinion power and responsibility must always go together. After the vote we have just taken, I am convinced that this has not been the case here. Until the last moment — that is, until it was time for the final vote — I had hoped we would be able to work out a sensible compromise solution which both Parliament and the Council of Ministers could be satisfied with. However, after the vote we have just taken, I cannot see that this has happened. I must therefore tell you that I must abstain from the final vote.

Mr Curry (ED). — I regret the decisions that we have just taken. Members of this Parliament sometimes seem to me to think that we are in a branch of religion rather than in a branch of politics. We are not dealing with absolute verities: we are dealing with what is possible.

We are told that we have betrayed our principles because we sought a compromise on the second reading. It seems to me that the practical course is to obtain the maximum that is possible and get as close to your objectives as you can. If you wish to go in for declamatory politics, if you wish to convert words into action by some curious form of alchemy, then you go ahead and do what we have done today. If you actually want the funds to work, you create the political will and the cooperation which enables them to work. I suspect that one of the consequences of what we have done today is to push back a supplementary budget next year and make it inherently less probable that the Council of Ministers will be there to put forward a supplementary budget.

I have one much greater fear. There is already a tendency in some Member States to see the future of Europe as lying outside the framework of the Community. If you look at what we have been doing and the squabbles over the budget year after year, can you blame them that they do not wish to entrap their new policies in the whole institutional conflict which appears to be perennial? That is a very great danger. We may see a Europe, but we may not see a Community at the same time.

I remember President Delors saying yesterday from that seat: Nine months ago I challenged you to act like a legislative assembly, to put together a few concrete proposals, to put them into legislative shape, and to help us create a genuine legislative power in Europe: I am still waiting. Well, he will still be waiting through the conflicts of next year, because this Parliament, which has powers, chooses to ignore the effective use of its powers in favour of declarations and political tokens. I think that is regrettable.

To snatch victory out of the jaws of defeat requires talent: to snatch defeat out of the jaws of victory requires genius. Nonetheless, I wish everybody a very Happy Christmas, because I do not believe that personal relations should be confused with political attitudes. I wish in particular the President-in-Office of the Council a Happy Christmas, because I think there is nobody in this Chamber who has deserved it more than he has.

(Applause from the benches of the European Democratic group)

Mr Alavanos (COM), in writing. — (GR) The Members from the Greek Communist Party will vote against the motion for a resolution by the Committee on Budgets on the Community budget for 1986.

They will do so because — as can be seen from paragraph 1 of the text — the motion departs from the Council's view only as regards the amounts available for enlargement and the cumulated costs of the past. It does not contest the Council's basic choices of financial discipline, austerity, blocking the Mediterranean programmes, and unequal contributions by the Member States to budget revenue.

The differences between the Council and Parliament must not hide the fact that even if Parliament's budget is implemented in full, for the first time Greece's financial advantage will be less than last year, even in drachmas, at a time when the Greek Government has accepted a number of serious new commitments (the Luxembourg decisions, transition period, credit terms etc).

The Members from the Greek Communist Party cannot be in favour of such a budget, which makes Greece's financial relations with the EEC worse, even if it is a "lesser evil" than the Council's budget.

Mr Ford (S), in writing. — I will be voting against this budget because again, like last year, it is a travesty in relation to the needs of Europe. It proposes again to spend more than two-thirds of the Community budget on an agricultural policy that directly leads to high prices, food mountains and environmental damage. What is necessary is a policy directed towards good food instead of the profits of the multinational agriculture combines.

We desperately need greater expenditure to help Europe's unemployed, and disadvantaged. We need more expenditure on the Social Fund to retrain for jobs Europe's nations have to create. We need more expenditure on the Regional Fund to help the disadvantaged peripheries of the Community where the economic crisis facing Europe is most acute. We need more expenditure in the research and technology sector to stop Europe falling further behind Japan and the

Ford

USA and to prepare the way for the creation of the new jobs Europe so desperately needs. None of these are provided for, which is little less than a scandal. The thinking behind this budget makes lemmings seem far-sighted by comparison.

Mr Griffiths (S), in writing. — I will be voting for the Christodoulou resolution, to which has been added my amendment on behalf of the Committee on Regional policy and Regional Planning, because it clearly underlines the irresponsibility of the Council in failing to provide sufficient money for the Regional Fund to meet the new challenge of enlargement and the old challenge of ever-increasing unemployment in the deprived regions of the Ten like South Wales and Sicily.

It is obvious that the U.K., in particular, has abandoned the Regional and Social Funds as a means of helping its deprived regions. This, of course, is in line with its domestic policy, where, for example, regional aid to Wales has been cut by 50% in the last review of regional policy.

The budget of the Council would have made it very likely that next year local authorities would not have received their funds at the proper time — if at all. In the case of the U.K. the Tory government has decided that the Treasury will get more money from the rebate system and the deprived regions can be left in destitution.

The structural funds have not been increased in real terms, but it is far better than the budget offered by the Council.

Ms Quin (S), in writing. — I shall vote in favour of the Christodoulou resolution.

Although I supported the position adopted by the majority of the Parliament on the budget this afternoon, I did so with some regret, as I would have much preferred Parliament to have maintained the position it took at first reading.

However, by our vote today we have at least shown that we are not prepared to go along with the totally inadequate so-called compromise proposal which the President-in-Office of the Council dangled in front of us today.

As rapporteur for the Committee on Economic and Monetary Affairs and Industrial Policy, I am glad that most of that Committee's amendments presented here today were accepted. Personally I am very pleased that the idea of interest subsidies for job-creating investment in industry (Item 7720) was also accepted — an area of the budget which has been sadly neglected in the past.

However, Madam President, we are still miles away from a budget that I would regard as satisfactory, and in many ways this budget represents a backward step. Deplorably it does *not* mean a real increase in the structural funds; neither does it do anything to move towards reform of agricultural guarantee expenditure. It does nothing to create a pattern of spending which would give any real hope to Europe's worst-off regions or citizens.

(Parliament adopted the resolution.¹ Applause)

President. — I think it would be the wish of the House for me to thank, on behalf of you all, the rapporteur, Mr Christodoulou, who has done a magnificent job in the service of this House.

(Loud applause)

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Report by Mr Louwes, on behalf of the Committee on Budgets, on the modifications made by the Council to the European Parliament's amendments to Section I: Parliament; Section II: Council, Annex: Economic and Social Committee; Section IV: Court of Justice; and Section V: Court of Auditors, of the draft general budget for the financial year 1986 (Doc. A 2-190/85): adopted

President. — I congratulate Mr Louwes, on behalf of the House, for his work.

(Applause)

IN THE CHAIR : MR GRIFFITHS

Vice-President

5. Agricultural stocks

President. — The next item is the joint debate on three oral questions, with debate, to the Commission:

- by Mr Woltjer and others on behalf of the Socialist Group, and Mr Gatti, on behalf of the Communist and Allies Group, on the liquidation of agricultural stocks (Doc. B 2-1184/85);
- by Mr Bocklet and others on the promotion of butter sales and the reduction of the butter mountain (Doc. B 2-1265/85);

¹ The rapporteur spoke in favour of Amendment No 1.

President

— by Mr Elles, on behalf of the European Democratic Group, on the market in beef and veal (Doc. B 2-1266/85).

Mr Woltjer (S). — (NL) At the end of September, the Commissioner for Agriculture announced that he wanted to try to reduce agricultural stocks by introducing a number of special disposal schemes. At the time, it was all over the newspapers that Community warehouses were bursting at the seams due to the huge quantities of intervention products in storage. It is thus in itself a good thing that the Commission wanted to tackle this problem.

However, the question we need to discuss today is whether this is being done in the right way, and whether further measures are needed to rid us once and for all of this perennial problem, this annually recurring problem of bursting warehouses. I think this is essential for the common agricultural policy, because this problem is still the only thing people talk about in that connection.

Mr President, ladies and gentlemen, butter intervention stocks in the Community still amount to 1.2 million tonnes — the same level as a year ago. This is a serious and disturbing matter, given that we introduced a quota policy this year to stop production growing. We had hoped that this would reduce intervention, but it has now become clear that our milk quotas are still much too high. I think this is a matter of vital importance which we need to include in our discussions. We should not confine ourselves to just the problem of stocks and the disposal of these stocks, we must also look at the constantly recurring increase in these stocks. We are evidently still producing agricultural products for which there is no market. It is thus of the utmost importance, as I have pointed out in my resolution, for the Commission to indicate how it intends to tackle this structural over-production.

Not so long ago, we had a debate on the milk sector in connection with an interim report discussed in this House. The Commission indicated that it pinned its hopes on a buying-up scheme. Such a scheme for paying farmers for not producing could solve the Community's problems. We are now five months further on. The scheme is before the Council, and Parliament has not even been consulted. I hope that the Commissioner will come back on this point in a little while, as the Council simply will not get round to taking a decision. Intervention continues and next year we will be faced with the same problems: 1.2 million tonnes of butter in stock and 550 000 tonnes of meat. The figures speak for themselves, but even worse is the fact that these stocks are old and include products that have been in storage for so long that they are no longer fit for normal consumption. That is a crucial problem.

In its document, the Commission states that it wants to prevent this merry-go-round in which we are forced to

try and sell old butter at enormous cost while at the same time we are constantly building up new intervention stocks. However, I would again point out that although I hear a lot of words from the Commission, I unfortunately still see too little in the way of deeds.

I am sorry to have to say this, Mr Andriessen. I am convinced that the Council is to blame for a lot of delays, but I think it is essential that when we discuss disposal, including your proposals for the disposal of old stocks, we should also look at ways of curbing intervention so as to break the vicious circle.

Mr President, in my resolution I listed a number of aspects which I believe should be given more attention. For example, I think that it is vital that we do not first store butter, and meat too, for two years at high cost, but try to dispose of these products as quickly as possible. I made a suggestion along these lines which I would recommend here again. I share the Commission's opinion that Christmas butter schemes are particularly costly and that disposing of butter in milk powder is enormously expensive and hardly socially acceptable. For this reason, I would call on the Commission to examine the possibility of improved social schemes.

Last but not least, I would again ask the Commission how it intends to tackle the continuing problem of structural over-production, since this is the crux of the matter.

Mr Bocklet (PPE). — (DE) Mr President, ladies and gentlemen, by far the largest problem affecting agricultural policy are the surpluses which, in the case of butter and meat, are so high that there is no way of reducing them through normal sales channels. Against this background the Commission must exploit every possibility for selling the produce both on the world market as well as within the Community.

What is the situation on the world market? Demand is slight and exists only for certain products. World market prices are low due to our enormous surpluses and the purchasing power of the Third World or of potential customers is weak and this explains the high cost of export refunds and the conflict with the GATT rules.

In spite of these problems we must utilize the scope offered by the world market. Anybody wanting to sell, like us, should not be choosy. We must realize that every kilogram exported from the Community relieves the internal market. This is why I am against the idea of putting too many shackles on the Commission in this respect. We cannot expect it to promote sales and at the same time respect the wishes of all and sundry. I fully realize, however, and I should like this to go on record, that the GATT rules cannot continually be flouted.

Bocklet

It of course the result of our policy which allows these surpluses to accumulate and then tries to sell them while all the time there is a constant risk of existing GATT obligations being broken. I should however like to add — and I should like to thank Mr Andriessen specifically for having had the courage to make this point clear in Australia and more importantly in the USA — that we are by no means the only miscreants and the others are no less obliged to put their own house in order. The issue at stake is to reach agreement with the trading partners on the world market so that jointly this problem can be solved.

What is the situation on the internal market? Stagnating demand, rising production, high levels of stocks, limited scope for increasing sales and the high cost of reducing the price of stocks with a view to increasing sales. Against this background there is only very little leeway on the internal market as well.

The Commission has rejected the idea of a Christmas butter campaign this year and justified it quite correctly by saying that the cost is too high and the impact on sales too slight. I said that the reasons given are correct. However, I would not have concluded that this campaign should be abandoned in view of the high costs involved since what the Commission is proposing as an alternative is by no means convincing.

I do not contest the fact that the cost of a Christmas butter campaign is high and I say that in express contrast to the statement by another Member of this House who produced and sent some very spurious figures to the Commission. If the butter stocks are to be used for feeding calves and pigs there is no reason why Christmas butter could not have been made available to the European housewife.

The way in which the Commission set about providing cheaper concentrated butter as an alternative to the Christmas butter campaign demonstrates the full extent of the misery of allowing bureaucrats to manage the market. Although the Commission has known for a long time that if it rejected a Christmas butter campaign it would have to provide an alternative, it proposed and implemented the alternative measures so late that it is now, only two weeks before Christmas, that the concentrated butter has reached the market, in other words at a time when housewives have already completed their Christmas baking.

This example clearly shows that the Commission must carry a fair share of the blame for the poor sales because it is too slow and too bureaucratic in seizing market opportunities. It is here, I feel, that action is called for as well as possibly initiating new measures. Faced with the butter and beef mountains my Group is calling for a special programme for the socially disadvantaged under which stockpiled butter and beef from the cold stores could be sold to the needy at a reduced price.

This programme, which could be conducted with the use of ration coupons, should be maintained for as long as is necessary to reduce the surpluses to a normal size. We feel that in any attempt to reduce the surpluses in the European Community the population of that Community should be allowed appropriate opportunity to acquire cheaper butter and beef and not just the USSR. I should, however, like to add that as far as possible such a programme should be carried out without disruption to the market.

I should like to remind you, Mr Andriessen, of your promise to make available the butter for bakers. This measure has been announced but still nothing has happened.

Mr Elles (ED). — I, like previous speakers, welcome this debate on the disposal of agricultural stocks. In my comments I would like to deal with three points. Firstly, what are our objectives in reducing public stocks? Secondly, what are the means of achieving stock disposal? Thirdly, how should we avoid the recurrence of such large agricultural stocks in the future?

First, on the objectives of reducing public stocks. This must apply to butter and beef, because current levels act as a price depressant, not just on the internal market but also on the external market. The butter in store today — topping a million tonnes in both public and private store — is greater than the total annual trade in the international market for butter and represents more than six months' supply in the Community. It is much too high. But I would like to ask the Commissioner where the Commission considers that these special measures should end. What indeed is the objective of the Commission for butter and beef stock in public store at the end of 1986 and what normal levels would the Commissioner like to see in the operation of this free market? And would the Commissioner consider reissuing the report on the stocks on agricultural markets, which was the practice in this House before the last elections, so that we in this House may be better informed on the state of the markets, the state of the stocks and the state of financing for the policy?

Secondly, what means should be used for achieving stock disposal? We readily recognize that budgetary discipline is making market managers focus on the lowest cost of disposal, and it is clear from all the documents which we have had from the Commission that export is one of the best methods. But this results in unacceptable sales to the Soviet Union of both butter and beef, even if the product is indeed sold at the world market price and even if the butter thus sold is less than 3% of the total production of butter in the Community over the past five years. We should therefore try in particular to promote sales of beef to avoid purchase into public intervention, which costs a great deal of money and reduces the quality of the product.

Elles

Above all, we should extend the application of existing regulations for both butter and beef, for butter since 1982 and for beef since 1979, which many people do not recognize are available cheaply in the Community to old-age institutions. This should be extended so that old-age pensioners may benefit from the scheme. Whilst the butter scheme is only operated in Ireland and the beef scheme only in Italy, it surely is not beyond the wit of other administrations in the Member States to cope with the administrative problems and make sure that old-age pensioners do benefit from these measures. If more finance is needed to stimulate sales, then I urge the Commissioner to devote more attention to such schemes. At the moment the butter sales under the special scheme only cost 25% of the intervention price, whereas the Christmas butter scheme costs twice the cost of intervention.

Finally, how can we avoid a new build-up of agricultural stocks? The only way is not to produce the surplus in the first place. We must retain the quota system in the milk sector and ensure the success of the milk outgoers' scheme. And I would ask the Commissioner to show a little more courtesy to the Parliament and consult us on the milk outgoers' scheme.

Finally, I believe we should have a statement as soon as possible on more flexible arrangements for beef, so that we can get a better market balance.

I have tabled, Mr President, a resolution to wind up the debate which encourages the sale of beef on the internal market, and I urge this House to vote in favour.

Mr Andriessen, Vice-President of the Commission. — (NL) Mr President, I am pleased to have this opportunity of discussing with Parliament the problem of stocks. I must of course be prepared for criticism, but this risk I am willing to accept. Nevertheless, I shall try to answer some points of criticism raised.

First, I would like to say something about the current situation. In recent years, the stocks held by the Community in all agricultural products have increased considerably in both volume and value despite our attempts to eliminate them. On 30 November 1983, the total value of stocks stood at 7 000 million ECU. On 30 November 1984, this figure came to 8 700 million ECUS and by 30 November 1985, it was 10 200 million ECU. That is the book value. Naturally, the real value of these stocks is much lower. Stocks also incur considerable costs for storage and financing. In 1984, storage cost 542 000 million ECU and financing costs came to 514 000 million ECU, making a total of 1 056 million ECU.

However, the greatest expense was occasioned by the drop in value of the products in storage. In 1984, 1 650 million ECU was spent on sales from intervention to make up the difference between the purchase price and the sale price.

I estimate that the financing and storage costs for 1985 will be at least 1 200 million ECU. I shall not venture to estimate the difference between the book value of current stocks and the true value, but it will obviously be very large.

The Commission has in the meantime adopted a proposal to earmark 423 million ECU — provided for in the budget Parliament has just adopted — at the start of 1986 for depreciating old stocks of butter and beef. However, this is clearly but a tentative beginning. It therefore goes without saying that major efforts will be required, firstly to control production and prevent the build-up of stocks, and secondly to dispose of existing stocks as quickly as possible.

Here, I must draw attention to an anomaly in our rules — incidentally, not the only one as far as the budget is concerned. The technicalities of the budget are namely such that there may be temptation to take measures that are cheap in the short term even though they will cost more in the long term. It is less expensive in the short term to keep stocks than to dispose of them at a higher cost. In the longer term, the situation is of course precisely the opposite. This is a consequence of the budgetary system, for which I would not wish to claim responsibility but which we have to live with.

Why do I say this? Because I am convinced that unless specific action is taken, including budgetary measures, it will not be possible to arrive at a genuine solution to the problem. I think this is an important point. I am under no illusion that this will be easy to achieve, but it is necessary, for the main competition to the Community's farmers comes from these stocks! They do not just swallow up a considerable part of the agricultural budget, they also have such a depressive impact on the market that the products that *are* sold fetch less than they would do if we had no stocks.

Therefore, I believe it is important for there to be a growing appreciation that, without specific action, agricultural policy would run into serious difficulties in the longer term. However, insistence on this point will not be convincing unless we can demonstrate that we have greater control over production and can prevent the recurrence of surpluses.

Mr President, I would now like to go into some practical aspects of this problem in somewhat more detail. As was rightly remarked, last September I had the opportunity of appearing before the Committee on Agriculture, Fisheries and Food to speak on our strategy for disposing of butter and beef. For butter, I mentioned a number of measures: butter for small bakers, butter as cooking fat, exports of old butter at competitive prices for the food industry in certain countries in Southern Asia and use of the oldest butter fat in calf feed.

The first two measures have been implemented. I do not know if it is entirely true what Mr Bocklet has just

Andriessen

said, namely that we were — as usual — too late. We acted as quickly as we could, and my impression is that it will be possible to make use of this scheme. Butter for pastry bakers is in fact past the preparatory stage. It is moreover a structural measure extending beyond Christmas, the period when butter fat is supposed to be especially important.

In addition, we are examining the idea of extending and making more attractive the existing system of subsidizing butter for people entitled to social security benefits — 'social butter' if you like. In this connection, I would refer you to the answer given recently to an oral question by Mrs Daly. We agree with Parliament that it is much better, more efficient and also cheaper to dispose of butter in market sectors where little or no butter is bought at normal prices than to provide a general subsidy for 'Christmas butter' and the like.

I am naturally willing to provide Parliament with all the information at our disposal concerning our evaluation of the Christmas butter scheme. I have outlined the basic points on several occasions, but I have no objection to giving Parliament detailed information.

It is clear that we need to act quickly on the butter question, since the age structure of the stocks obviously plays a very important role. In terms of quality, butter ages considerably more rapidly than we do. We still have our uses after a few years, even though politics is not an easy life, but this does not apply to butter. This leads me to remark that the scheme I have proposed for buying up butter that is not produced, or milk that is not produced, is, I believe, of crucial importance.

Mr Elles accused me indirectly of not consulting Parliament on this matter. You will be aware that it is the Council which consults Parliament. I believe it would be useful for Parliament to be consulted on this question. Let there be no misunderstanding on this point. However, I naturally explained, on behalf of the Commission, our position on the milk quota arrangements, in reply to the Woltjer report in which this matter was raised. Parliament's standpoint on this issue is well-known. So indeed is my own. However, I consider it would be useful if Parliament could have its say.

I only hope that the Council will adopt the proposal quickly, because stocks are growing despite the milk quota system. On 30 November 1983, we had 686 000 tonnes of butter in storage, on 30 November 1984 973 000 tonnes and on 30 November 1985 1 017 000 tonnes. These are the public stocks. So I repeat, stocks are increasing despite the quotas.

This means that we are still producing too much. We will therefore have to do something to stop over-production, and I think that the buying-up scheme can make an important contribution.

Now, Mr President, I come to some specific questions. I would say to Mr Woltjer that it is correct that beef was sold to Russia for less than 20% of the intervention price. The age of the meat was in all cases greater than three months and in principle between three months and one year. I agree that the proposal to process butter fat to make calf feed has caused alarm, and even indignation, among the population.

However, Mr President let us be clear on this point. We are talking no longer about butter but about fat. The question is thus the price and value of fat and the purpose to which it is put. And if Mr Woltjer himself says that these products are no longer fit for consumption once they reach a certain age — which I heard him say in this debate — then I see no reason for any objection to finding an outlet for this product — whatever you might like to call it.

As regards the sale of butter oil and the like to countries in Southern Asia, I would like to make one thing very clear. Firstly, no decision has so far been taken. Secondly, we are in regular contact with the Indian authorities on this matter, and it should be clear that it is not our intention to disrupt the market in India with such a scheme, or to undermine the successful milk supply programmes, launched earlier with the aid of the Community. Not a bit of it, Mr President, nor could the quantities we talking about have such a disruptive effect, though we would also take steps — in consultation with the Indian Government, assuming it is prepared to enter into such a transaction — to ensure that such effects do not arise.

Mr President, I would like to add at this point that schemes also exist for disposing of beef to social institutions. We have social schemes for both butter and beef. The only thing is that they are hardly used, except for beef scheme to a small extent in France and a somewhat greater extent in Italy. We thus believe that a lot more could be done in this area. The schemes are available, and I believe it would be better from the budgetary point of view to use these, than to do what we are currently being compelled to do in another area. I must add here that contracts such as the one we have concluded with the Soviet Union could not be negotiated with any other country. And then there is the question of whether this meat or butter should be kept in storage, with all the cost and depreciation this entails — let us not forget that as soon as meat goes into intervention, 40% of its value can be written off — or whether such transactions are preferable. In my view, they fit in with the active disposal policy so often called for by Parliament when we have discussed the Community's trade policy.

Mr President, finally some remarks about beef, and in particular the problem of stocks. For milk, the Commission has proposed a buying-up scheme. As regards cereals policy, it has recently issued a memorandum setting out a four-track policy: prices policy, quality policy, intervention policy and co-responsibility. In

Andriessen

January, I hope to be able to submit concrete proposals. As for beef, I hope a memorandum can appear before the end of this year concerning changes to beef policy aimed at bringing overproduction under control. The price negotiations next year look like being extremely interesting when I realise all these problems are more or less coming up at the same time.

Mr President, to conclude I would like to point out — to Mr Elles — that I cannot say at the moment what the level of stocks will be at the end of 1986, since this will depend to a great extent on the financial resources available for implementing disposal schemes. However, I am prepared to provide Parliament with more information on the various points Mr Elles touched upon: the size of stocks, costs of storage, financing costs, and resources available to dispose of these stocks.

Mr President, I believe this covers his questions as well. Let me finish by quoting the proverb 'Prevention is better than cure'. Well, we already have the disease, and we are trying to do what we can. However, the problem cannot be solved in the short term and, I repeat, not unless specific steps, including budgetary measures, are taken. I hope, Mr President, that on the basis of the proposals that have been or will shortly be submitted, we will succeed in mapping out a strategy, with the support of Parliament, to help us prevent the disease recurring in future. However, one thing is certain: such a policy will not be simple. It will involve difficult measures which will undoubtedly meet with resistance, certainly during the few years required to reach an equilibrium on the market. Yet, Mr President, just as the surpluses are the farmer's most dangerous competitor, his best friend is a balanced market.

(Applause)

President. — Before we continue with the debate, I wish to inform the House that to wind up the debate on the oral questions I have received five motions for resolutions with a request for an early vote:

- by Mr Provan, on behalf of the European Democratic Group, on the disposal of agricultural stocks (Doc. B 2-1280/85);
- by Mr Roelants du Vivier and others, on the disposal of agricultural stocks (Doc. B 2-1281/85 rev.);
- by Mr Woltjer and others, on behalf of the Socialist Group, on the disposal of agricultural stocks (Doc. B 2-1282/85);
- by Mr Bocklet and others, on behalf of the Group of the European People's Party, on the promotion of butter sales and the liquidation of butter stocks (Doc. B 2-1339/85); and

— by Mr Elles and others, on the market in beef and veal (Doc. B 2-1340/85).

The requests for early votes will be put to the vote at the end of the debate.

Mr Gautier (S). — *(DE)* Mr President, ladies and gentlemen, this morning we were discussing the budgetary deficit which was carried over and now we are discussing the failures of misguided agricultural policy in the Community over the past few years. Since we are discussing here today a series of proposals from the Commission and the discussion will doubtless be very open I should like to restrict my comments to a few specific points.

Mr Andriessen, first of all export policy or planned exports to India: from the church-based development agencies in particular there has been considerable criticism of the Commission's current programme in India and I do not know whether special sales campaigns by the Commission, about which rumours have been circulating, will not have a negative effect on India's domestic production of animal fats. I therefore ask you whether your departments have examined whether there are other sales outlets on the world market through which butter mixed with vegetable oils may be sold. It is surprising that the production of animal fats is much higher than that of butter but that we have no stocks of vegetable oils at all, in other words all the oils produced find buyers.

There are, I think, a number of proposals to which you should give serious consideration.

My second comment concerns the use of butter for calf feed and I shall ignore for the moment the social implications of such action. For the man in the street it is completely baffling why he cannot afford butter but that the butter he cannot afford is fed to calves. Can you imagine, Mr Andriessen, going on to the street and trying to explain to somebody that you milk a cow, transport the milk to a dairy to produce butter, allow this butter to deteriorate and then finish by feeding it back to calves? You should come with me one time! I cannot explain this crazy system to anybody and such a crazy system should not be used as a basis for anything.

(Applause from the left)

Allow me, if you will, to comment on other special sales campaigns.

You mentioned butter for small bakers. The Management Committee has abandoned the 5 tonne limit. I agree with this decision. However, I feel I must join those who criticized the delay, i.e., that the measure came too late before Christmas for many small bakers.

The special sales schemes for beef and veal are primarily more of a political than a technical measure. You

Gautier

must explain this to people and help them to understand Community policy. In my view an integral part of the Europe of the People is explaining policy which dictates that butter is sold to Third countries for 20% of the intervention price while at the same time we are not in a position to supply top quality meat to those people. I cannot and consequently I believe that the Commission should carry out such schemes only under exceptional circumstances and coupled with measures on the internal market.

I fully agree with Eisso Woltjer when he says that we must get to the root of the problem. We must produce less and abandon this current misguided agricultural policy which is continuously producing surpluses. Your proposals, Mr Bocklet, offer no help. What you propose is that we create new long-term subsidies instead of going to the root of the problem and producing less milk, beef and cereals.

Mr Provan (ED). — Mr President, firstly let me welcome the oral questions and congratulate all their authors, because I think it is right that this Parliament should address itself to this question at this time. In welcoming the debate, I also welcome what I believe is a very positive statement from the Commissioner himself, who seems to be well informed about the difficulties with which the common agricultural policy is faced owing to the surpluses we have got in intervention stores at the present time.

I would also welcome the very positive reply which my group has had to the written question put by Mrs Daly to the Commission. It is a very satisfactory reply indeed, and shows that the Commission is obviously going to attempt to do something about the disposal of our surpluses.

We have stocks in intervention stores, as the Commissioner admits, at too high a value. I therefore wonder why the Community budget has to pay so much every year to the Member States for keeping those stocks at such a high value in store. If we have to dispose of surpluses, let us address ourselves to the problem! My group has a difficulty here, because we want to see cheaper food being made available to the European consumer. We accept, however, that if we are in that disposal situation, it is vitally important that we do stop the creation of new surpluses within the Community. If we do not address ourselves to that, we are not really prepared to see the disposal of the existing stocks in ways which are the only avenues open to us at the present time, because we shall be affecting international trade, we shall have food-aid problems and also budgetary consequences within the Community.

We do accept that if we have to rid ourselves of these excessive surpluses, we shall have excessive expenditure at the same time. We do realize that intervention and storage costs and refunds for these onto the international market are costing the CAP 55% of the total

CAP expenditure at the moment. That is a ridiculously high figure and, of course, the CAP would be in a very happy and joyful position at this Christmas time of year if we did not have to meet that expenditure.

Disposal schemes must be cost-effective. Disposal schemes, if we are to get rid of the surpluses within the Community, have really got to increase the market share that is currently available. Of course, the reason why a greater market share is not available is that the food is too expensive for the consumer. We welcome the Commission's attempts so far to increase the market by making some of those stocks available to small manufacturers of food.

Short-term schemes cannot be effective in increasing the market on a longer-term basis. It is increasing the market on the longer-term basis that we see as the main priority in getting rid of those surpluses. Therefore we come to the conclusion that we have a duty to try to assist some of those especially disadvantaged people within our Community, amongst whom we would single out the old-age pensioners for special mention. So let us make sure that it is not a one-off operation as far as those schemes are concerned; it has to be on a longer-term basis.

Let me just address myself for a moment to emergency aid. I believe that the flood programme in India has been highly successful and should be the type of programme that the Commission develops for other food aid programmes, especially in the Sahel region, where the whole ecology has been badly damaged.

We are going to try to support all the resolutions and wind-up resolutions when this debate comes up for vote-probably tomorrow, Mr President. There are only three paragraphs with which we have some disagreement, but basically we are very supportive of the Commission's actions and of what Parliament is trying to do to rid ourselves of these surpluses.

Mr Gatti (COM). — *(IT)* Mr President, we have tabled this question to make Parliament aware of the problem of surpluses. However, having heard your reply, Mr Andriessen, I feel I must direct some critical comments your way — although I hold you in the highest regard — but this time it seems we have heard the same old replies from you before — 'budgetary problems... we shall ensure that surpluses are reduced...'. But, when all is said and done, there is no firm proposal even if each time something new is invented. Your predecessor created 'Christmas butter' while you, Mr Andriessen, have invented 'cooking butter'. In the final analysis, however, just as your predecessor could not solve the problem neither will you by pursuing such a line unless the Commission becomes convinced and unless a variety of political parties in these House also become convinced that the problem must be tackled at source by coming to grips with what is the real cause of these surpluses. Would it

Gatti

not be better for the Commission to adopt a continuous policy rather than waiting for the stores and refrigerators to become full before inventing something? The build-up of these surpluses must be foreseen but the Commission has not always been able to do so, Mr Andriessen. You reminded us of a number of specific programmes decided in September. We are still waiting for these programmes. I do not see how there can be many great problems and it is not true to say that the countries are not exploiting the situation because we certainly cannot wait for the appropriate occasion before taking action on a social level. What is needed is scope for action to be available throughout the year. Let the Commission therefore propose a regulation which makes provision throughout the year for the social use of those small surpluses which we all know to exist and which always will exist, coupled with drastic action to reduce the surpluses and prevent new ones building up. You mentioned the milk quotas and drew our attention to cereals but you know very well that two years after the introduction of these quotas we still have in the Community — as Mr Woltjer pointed out earlier — surpluses totalling some 5 000 million hectolitres of milk.

As you can see, Mr Andriessen, this is not the way. The term of the Green Paper is falling due and we hope it will be extended since you, by the regulation on sugar extract, completely exhausted it and presented a separate memorandum on cereals. I do not see how this Parliament can discuss the reform of the common agricultural policy in January. My group and myself hope that in the Green Paper there will be provision for new Community action on loans, which are something that you, Mr Andriessen, are known to defend. Lastly, you, too, were unable to take any action because as soon as there is talk of reducing or adjusting certain prices which undermine the interests of certain producers or certain countries, you too were obliged to retreat and adopt some solution or other, a buffer solution, in other words one that did not tackle the problem at all.

I wish you, Mr Andriessen, the force and will to promote these decisions and I am convinced that when you do you will find broad support in this Parliament and one which will give you every assistance if you really try measures which will effectively reduce what are — and this is the fundamental issue — the structural surpluses, the surpluses which we must prevent at all costs within the Community and avoid having the stores full before deciding to take action.

In conclusion, may I say that the continuation of measures throughout the year is indispensable, above all if the needier groups are to benefit just as it is indispensable to eliminate the root cause of these surpluses.

Mr Maher (L). — Mr President, since I have so little time I will confine my remarks to the dairy sector. In any event that is where the main problem of surpluses occurs.

Great efforts are being made at the moment by the Commission, supported by the Council, to limit production of milk, and this is understandable. However, I should like that at least similar efforts be made to try and increase the off-take at the other end — i.e., to increase consumption of these products. We are fighting a losing battle. Consumption is tending to go down all the time. I honestly do not know what else millions of small farmers who, because of their geographical position, type of soil and size of farm, can produce. There is no alternative being offered to them. I believe we must concentrate more on seeing whether it is possible to increase consumption.

One thing that constantly amazes and disappoints people from my country — where we consume considerable quantities of dairy produce in the form of milk, butter, etc. — is that when they visit the continent of Europe and go to a hotel or a restaurant, the one thing they never see is either milk or butter. They have to ask for it, and there is usually a bit of a crisis in the hotel or restaurant as if people there had never heard of these products. Somebody has to run to the kitchen to see if there is a packet of milk available or whether butter can be found. In the name of God, what kind of situation is that? Of course I know the medical profession has been working very hard — and I am not saying all of their policies are suspect — to convince people that they should not eat or drink dairy products.

However, recently I noticed that a lot of research is being carried out in America, where they have discovered, after many years of research, that people who drink milk rarely suffer from cancer of the colon. We all know that cancer of the colon is a very large-scale and painful killer. There is a high incidence of this type of cancer, but they have discovered that people who drink milk rarely suffer from this disease. I am not suggesting that there be a mad rush to drink large quantities of milk. I know that if you drink too much of it it can do you harm. But I recommend very strongly to the continental Europeans in particular that they could drink a little more milk and that it would benefit them and make them a little more healthy.

Perhaps the Commissioner — he is not listening to me, he is talking to a Dutch colleague at the moment — might initiate a campaign to bring the dairy industries of this Community together, first of all to see if they could do more about consumption. If we could increase the consumption by 3 or 4% our problems would be solved. But while consumption is decreasing there will be a continual problem, even if milk production is brought down to the levels of the quotas being proposed. There will still be a problem in a few years' time with consumption falling. I believe that consumption could be increased without doing anybody any harm, if the problem were tackled properly.

The other thing we must do is concentrate the research efforts to see if there are no ways in which

Maher

milk could be consumed. There is a very good product in Ireland that we developed in recent times . . .

President. — Mr Maher, I am afraid you have exceeded your time. You got your little advert in. Mr MacSharry is an Irish colleague, so perhaps he might like to continue the advert for Bailey's Irish Cream.

Mr MacSharry (RDE). — I would just like to add, Mr President, that Mr Maher forgot Carolan's and Emmet's and so on: we do not favour one more than the other.

First, I entirely agree that the level of stocks of certain kinds of agricultural produce in the Community is unacceptable. Of course, we all agree that something has to be done about them. One method would be to increase export refunds, thereby offsetting the cost of intervention, but I think we all realize that the matter is more complex.

The value of the Community's farm output grew by 18% in real terms between 1973 and 1982. This was double the productivity gains achieved in the industrial sector and was a tremendous achievement in many respects, a technological feat which is awesome in its implications. It is, however, true to say that approximately 20% of Europe's farmers produce 80% of farm throughput. Their production methods bear little relation to the natural conditions in which the CAP would operate as envisaged by the Stresa Conference of 1958.

Instead, intensive, large-scale, factory-farming methods have created some difficult surpluses threatening to nullify the original aims of the CAP. The life-blood of these enterprises are the Community's finances, and traditional producers are paying the penalty for them *via* the superlevy throughout the Community.

It is extremely unlikely that CAP surpluses can be dealt with adequately until the underlying causes — massive food imports — are tackled by the Community. Only in this way will the Europe of traditional and family farms be preserved. We must ensure that the principle of Community preference is respected. This means simply that producers within the Community should always be more favourably treated when competing with overseas suppliers. As a corollary to this, trade concessions to third countries should not be set at such a level that Community producers would have difficulty competing with them on the Community's own markets.

Mr President, we are confronted here today with three oral questions to be followed by no fewer than five resolutions, all of which, on the surface at least, appear to concern themselves with agricultural stocks. I have studied all of these documents in great detail,

and I regret to say that I am appalled by what is actually taking place.

All of us here know that one of the major topics to be discussed here in Strasbourg next month will be the Tolman report on the future of the common agricultural policy. Some of us know the outcome of the Tolman report in the Committee on Agriculture, Fisheries and Food. We also know that positions defended by certain individuals, and indeed groups, were rejected in that committee. Those colleagues have every right to defend their case . . .

President. — Mr MacSharry, I have to stop you now. You have gone well over your time.

Mr Verbeek (ARC). — (NL) I wish to speak on behalf of my Green colleague, Graefe zu Baringdorf. The motive behind the common agricultural policy is not adequate supplies of food, but capital and profit. This process of growth and accumulation has now reached a complete impasse. So what is the plan? To supply rancid butter to farmers to feed to calves! Instead of the farmer letting his calves suckle directly from their mothers, the milk is taken from the cows and goes through this irrational industrial processing and enormously expensive storage before getting back to the calves after all.

There is also a second plan. Socially disadvantaged groups are to get old butter fat more cheaply, though not without risks to their health. 'Social butter' Mr Andriessen calls it. For example, old people are to be helped with this scheme. Not only are the British conservatives and Christian Democrats in favour, the Socialists too seem to approve, judging by Mr Woltjer's motion for a resolution. Socialists, why are there still socially disadvantaged people? We should replace charity by equal rights, starting with incomes.

And then the third plan: French butter fat for India. Mr Andriessen knows this would drive vegetable fat producers in India off the market. He knows that in his own country, the Netherlands, people are now calling for the 5-year contract with India for dairy exports not to be renewed.

What should be done? Why is there a taboo on destroying dairy and meat surpluses, but none on the destruction of vegetables and fruit, however terrible this may be? Why is there no taboo on inhumane and economically unethical dumping through exports? These questions must be asked. Solutions can be found at source. Not by buying out small farmers, for they produce a mere 30% of dairy output, but by setting basic quotas and paying farmers enough for them so that they can make a living. Excess production should be subject to sanctions. The result would be to save small farmers and the environment, prevent surpluses,

Verbeek

and ensure that taxpayers were not cheated and betrayed. Large farmers, capital investors and agro-industrialists would have to make sacrifices, but this is the price we have to pay for a responsible level of food production.

Mr Ulburghs (NI). — (NL) European public opinion is once again rightly shocked at the enormous agricultural stocks threatening to engulf Europe while those pictures of starvation are still etched so sharply in all our minds. Yet we must not resort to simplistic solutions, like simply giving away our surpluses or getting rid of them at dumping prices on the markets of the Third World. Nothing will have more catastrophic consequences for these countries in the long run than the discouragement of thousands of small farmers when they find their own output driven from the market by this gesture of misplaced charity. Producers outside Europe *should* be discouraged, however, from using their land to grow feed for our livestock. Farmland in the Third World must be used primarily to cover local food requirements.

Moreover, what a sorry prospect is this circuitous path by which 100 000 tonnes of butter are to be fed to calves! If these animals were to be fed in the normal manner, this would tackle both the problem of milk and butter surpluses and the problem of inhumane treatment of calves. Yes, I know this is not financially viable in the short term. However, the Community will benefit in the long run!

Mrs Crawley (S). — While 500 million people in the world go hungry to their sleep tonight, the Common Market's food mountains grow. While 15 million European men and women are jobless and rejected in their communities, the Common Market's food mountains grow. While millions of ordinary people live in poverty and hardship, while farcical percentages of our EEC's budget are spent on the Regional and Social Funds, the Common Market's food mountains grow. The European Community, Mr President, is groaning under the lunacy and the obscenity of out-of-control over-production.

In the United Kingdom, we have secret food-stores in nearly every country. In a country of desperate industrial decline, one of the fastest growth sectors is the management of certain types of intervention stores. Never have so many of the chosen few made so much money with so few overheads. Outside these intervention stores, ordinary people, our electorate, are congregating and demonstrating their incredulity and their disgust at the presence of wasted, rotting food surplus to requirements. Their numbers are growing, and I have here 2 000 signatures on a petition which I shall be presenting to Mr Andriessen along with my colleague, John Tomlinson, as a proof of the growing indignation among the people we represent at this state of affairs.

The stark and stunning facts of Common Market surplus food fuel the anger and frustration of our electorate: figures such as the 1984 cost of storing dairy surpluses — 289 million pounds; figures such as the ghastly amount of 773 000 tonnes of skimmed milk in Common Market food-stores; and the incredible 973 000 tonnes of increasingly rancid butter in public storage in 1984. Mr President, to sum up, I wish the Commissioner to go back to the drawing-board and to bring forward a plan to dislodge and to solve the longest-running economic crime in the European Community.

Mrs Jackson (ED). — I speak as a member of the Consumer Protection Committee. There does not seem to be much protection of consumers going on in this House on this subject today: usually, we have to sit and listen to long speeches by members of the Committee on Agriculture, Fisheries and Food. None the less, many consumers in Britain, as the previous speaker has said, are very concerned about the size of the stocks that we have in the country, and they feel that something more immediate and dramatic needs to be done to reduce those stocks and to give some of them to European consumers.

The dramatic school of thought says that we should simply sell the whole lot off to the Russians immediately, clear the stocks out, get rid of them. That, I think, is politically unacceptable, and I do not think that the Commission would want to see that happen. But I do have a question to the Commissioner which he might like to reply to: has the Commission any estimate of how long the Russian outlet for EEC surpluses will be available to us, and how soon will Russian agriculture enable the Russians to feed themselves?

The second question, which we have been debating this evening, is the advisability of widening the EEC's scheme for social beef and for social butter. Can the Commissioner tell us why these schemes are only taken up in France, Italy and Ireland? How well do the schemes work? What sort of abuses do they entail, and what prospects are there for greater take-up of these schemes in the other Member States? I notice that in the Commissioner's reply to Mrs Daly in Question-Time in November, he said that the responsibility for widening the use of these schemes rested with the Member States. Can he give us some idea, any idea at all, as to what greater take-up there is likely to be in the other Member States of the social butter and social beef schemes? He might like to listen to me while I'm asking him these questions, incidentally.

Can the Commissioner also tell us whether there have been any discussions at all between DG VI and DG V on the health aspect of letting loose on the Community market large stores of something which might actually go to killing people rather faster?

Mrs Boserup (COM). — *(DA)* Mr President, I feel it is hardly worthwhile starting to speak in the general hubbub, but I have been sitting here patiently listening to what the experts from the Committee on Agriculture had to say, and I want to state my case as a general consumer, one of those who say that it is immoral to sell old butter for feeding to calves. I do so for exactly the same reason as others: if the calves are now to have the food in the form of butter, why on earth could they not have had the milk, as nature intended. It is not possible to find a way of doing this? Now, I am only a consumer, but I have seen a cow and I can tell the difference between its front end and its back end. When one thinks how much work, how much care and training goes into looking after a cow, milking it and making sure that the milk is clean and as it should be, it is shocking that when the milk has become so old and unfit for human consumption that it is no longer even butter but is called fat, the Commissioner has the effrontery to say that it can now go back to the calves. It is all utterly absurd.

Now Mrs Crawley has begun waving her arms about madly, but I can only add that nothing harms the Community's image in my country as much as food stocks, and we have a joke about the Community being kind to animals. It is nothing to do with battery hens, but we are supposed to have a scheme to protect the welfare of rats: it's called cereal stocks!

Mr Vernimmen (S). — *(NL)* It is indeed terrible that we should be racking our brains to find ways of getting rid of our surpluses while people are starving to death. Yet saying this does not solve the problem. The financial burden of the surpluses has become so considerable that we need to look for sensible solutions, and we can hardly claim that the various attempts made to date have been a great success. My main point is that we are faced mainly with situations which are beyond our control. To mention just one example, any attempt to stimulate the consumption of dairy products, notably butter, is immediately foiled by a multi-million publicity campaign on the part of certain multinational companies, which can also count on the support of the medical profession and others. We should also realize that the European consumer, rightly in my view, is very demanding, and that schemes such as the butter fat arrangement, which I think is a responsible scheme, may not succeed. As for calf feed and the like, Mr Andriessen, such solutions are a provocation to the European taxpayer. We will thus have to look to other alternatives, such as sales to Russia. Three years ago I prepared a report on the subject. My view is that food products should be kept out of politics. If we can sell butter to Russia, why not? And since these purchases will be made every year, we should try to deal with the State-trading countries as much as possible.

Mr Andriessen, Vice-President of the Commission. — *(NL)* I shall do my best, Mr President. It will not be

easy because important contributions have been made which naturally deserve a reasonable answer.

Mr President, there is talk of scandal, but the scandal is not that we are having to employ unorthodox methods to dispose of our stocks. The scandal is that these stocks exist and are growing. If Parliament wishes to call a halt to this scandal, then I hope for a good debate on the structural measures needed to reform agricultural policy. Without reform, we shall not succeed in getting rid of these stocks. That is my first comment.

My second comment is the following. You can say, like Mr Gautier, that there should be no butter oil to India, and no butter fat in calf feed as numerous other Members have demanded. In that case I would ask him: what then? He should not think that mixing butter oil with other oils could solve the problem.

Mr President, a third comment about stopping imports and as Mr Bocklet says, being prepared for a little conflict within GATT. He also says we cannot have permanent conflict, but a little conflict is evidently allowed. Mr President, let us not forget that the Community is a very large exporter and that agricultural products are one of its major exports: The Community is regarded in the world rightly or wrongly — I maintain wrongly — as the main offender when it comes to misconduct on the world market. How do you think we could go through with arrangements for which we have obtained certain rights under GATT, such as our export policy with export refunds and imports levies, unless we ourselves adhere to the commitments we have made within GATT? Mr President, we would otherwise be faced with even larger stocks than we have already, even though we might be able to curb some imports. I therefore believe that a sensible export policy must be pursued, and I think the Commission does this.

Secondly, we will have to embark upon renegotiations. In the Green Paper we put forward concrete suggestions for doing this, and do this we shall, but I would only remark that given the current world situation it will be extremely difficult to secure any changes in this respect.

Mr President, a further comment. I agree with what Mr Provan has said. The butter oil programmes we launched for India have proved to be effective and are examples worth following for food programmes in other third countries. As for how long the Russian market will remain open, Mr President, I do not know.

I can only say that we must take advantage of reasonable opportunities offered by these markets as long as we can. The social scheme we have for butter and milk, Mr President, can be applied throughout the year, not just around Christmas. The question as to why it is not taken up should not be put to the Com-

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mission, but to those Member States which, for reasons of their own, are evidently not prepared to make use of this opportunity.

Mr President, I will conclude. How can we increase consumption in addition to looking for new disposal outlets? This is not a simple matter. I can remember Parliament launching campaigns too — a former President of this House once said 'I drink milk, why don't you?' I don't know whether this was of much help. Although I think we could be active in this area, I believe that the main contribution we could make to solving the problem is to break the back of overproduction. We cannot discuss this subject fully today, but we will come back to it during the part-session in January.

President. — The joint debate is closed.

We now come to the request for an early vote on the five motions for resolutions winding up the debate on these oral questions.

I put the request for an early vote to the vote.

(Parliament approved the request)

The vote on the motions for resolutions themselves will take place tomorrow morning.

6. Votes

Report by Mr Didò, on behalf of the Committee on Social Affairs and Employment (Doc. A 2-161/85), on the proposals from the Commission to the Council (COM(85) 579 final — Doc. C 2-124/85) for

- a regulation amending Council Regulation (EEC) No 2950/83 on the implementation of Decision 83/516/EEC on the tasks of the European Social Fund in view of the accession of Spain and Portugal; and
- a decision amending Decision 83/516/EEC on the tasks of the European Social Fund in view of the accession of Spain and Portugal

Proposal for a decision

After the adoption of Amendment No 1

Mr Didò (S), rapporteur. — (IT) I want to propose an oral amendment. I had asked to speak before but I was not given the floor. This is a draft amendment which has been drawn up and approved by the relevant committee and which is being tabled also on behalf of the chairman.

The amendment is called for in view of the rather special situation in which the Committee on Social Affairs and Employment found itself when it was preparing this motion for a resolution. The fact of the matter is that basically the motion comes to us after the Council has already looked at the matter. On the basis of the document which we approved the Council met the Commission's request and changed the figure in Article 1.3 which speaks of 42.5% from 1 January 1986.

The Council is now ready to approve a figure of 44.5%, which explains why we want this to be included.

Mrs Maij-Weggen (PPE). — (NL) Although it has been said that this proposal is on behalf of the Committee on Social Affairs and Employment, I would like to point out that it was not put to this committee and that although it was raised at the coordinators' meeting, Mr Didò was not present, to the great annoyance of the coordinators. We were thus in a somewhat awkward situation, since not everyone agreed to this proposal. I have no objection to it being made — it is a very understandable proposal — but it cannot simply be said that it is on behalf of the Committee on Social Affairs and Employment when the rapporteur did not even bother to appear before this Committee or the coordinators' meeting to explain it.

President. — I am not prepared to take it if it has not actually been sent to the Committee on Social Affairs and Employment. If it has to be changed, some other way must be found of doing it. We do not want a debate on this point. I have taken the vote. If it had been a simple matter of accepting a committee decision, I should have taken the amendment.

Mr Didò (S), rapporteur. — (IT) All the political groups expressed their agreement through the coordinators, and Mr Welsh did as well. Mrs Maij-Weggen has always disagreed, and she may continue to do so. But in view of the fact that the Christian-Democratic Group, the Group of the European People's Party, also agrees to this proposal, I am asking that it be put to the vote.

President. — Mr Didò, this has not been to the Social Affairs Committee. I am afraid I feel it would be wrong for me to accept the amendment without its going to the committee.

After the adoption of Amendment No 2

Mrs Daly (ED). — Mr President, on a point of order. I am extremely concerned that you have taken the word of one Member against another Member. Many other members of the Committee on Social Affairs and

Daly

Employment had their hands up to say that there had in fact been a coordinators' meeting. I do think it is wrong to take the word of one Member against another and make such a positive statement, as you have, that it did not go back to the committee.

I really do feel that you should hear Mr Didò and those other members of the Social Affairs Committee who wish to tell you it had been discussed.

President. — Mrs Daly, can you tell me, then, that this matter has been discussed by the full Committee on Social Affairs and Employment?

Mrs Daly (ED). — I can tell you it has been discussed by the coordinators with the chairman.

President. — I am not taking another point of order. The amendment has been adopted.

*Motion for a Resolution**Explanations of vote*

Mr Vgenopoulos (S). — (GR) Last Thursday in Brussels the Council of Employment Ministers agreed to raise the percentage for the problem regions from 42% to 44.5%. A moment ago the rapporteur, Mr Didò, asked for this to be corrected, and unfortunately Mrs Maij-Weggen did not accept this because it had not gone through the committee. This is the main reason why we shall vote against Mr Didò's motion for a resolution, since it is not possible for the Council to offer more than Parliament and the Commission.

Mrs Giannakou-Koutsikou (PPE). — (GR) First of all I should like to protest, since I repeatedly asked to speak on a point of order and you did not call me. I wanted to say at the time that the matter raised by Mr Didò was an essential one. When discussing the matter, the Committee on Social Affairs and Employment was unaware that the Council had decided differently. As a member of the Group of the European People's Party, I should like to state that the group as a whole has not taken such a decision. Of course Mrs Maij-Weggen is entitled to express her opinions.

I shall vote against this motion since I consider it completely unacceptable that there should be a debate on the problem regions and the two new countries which have joined the Community, that we should have a decision by the Council, and that Parliament should not go as far as the Council on the very day when, in our debate on the budget, we decided differently by going further than the Council.

Mr Ferruccio Pisoni (PPE). — (IT) Mr President, it may be true that this percentage was not discussed in committee. It is true, however, that it was a proposal which many people agreed with, and when I spoke on behalf of the Group of the European People's Party I indicated that we were ready to accept this kind of proposal, provided that a level of 50% was reached for these regions. I cannot, therefore, support a proposal for a figure of 44.5%. However, with these measures coming into effect on 1 January, if it is decided to vote for the proposal as it is, we are confident that the Council will abide by its decision and that the figure will in fact be raised to 44.5%.

(Parliament adopted the resolution)¹

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Motion for a resolution by Mr Petronio and Mr Pordea, on behalf of the Group of the European Right, with request for an early vote pursuant to Rule 42 (5) of the Rules of Procedure, to wind up the debate on oral question Doc. B 2-1264/85 on a technological Europe (Doc. B 2-1325/85): rejected

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Motion for a resolution by Mr de la Malène and others, with request for an early vote pursuant to Rule 42 (5) of the Rules of Procedure, to wind up the debate on oral question Doc. B 2-1264/85 on the inter-ministerial meeting in Hanover on the Eureka project (Doc. B 2-1336/85): rejected

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Motion for a resolution by Mr Poniatowski and Mrs Veil, on behalf of the Liberal and Democratic Group, to wind up the debate on oral question Doc. B 2-1264/85, with request for an early vote pursuant to Rule 42 (5) of the Rules of Procedure, on the Eureka project and the European technological community (Doc. B 2-1337/85): adopted

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Motion for a resolution by Mr Linkohr and others, on behalf of the Socialist Group, to wind up the debate on oral question Doc. B 2-1264/85, with request for an early vote pursuant to Rule 42 (5) of the Rules of Procedure, on the Eureka Conference in Hanover and the European technological community (Doc. B 2-1338/85).

¹ The rapporteur spoke
IN FAVOUR of Amendments Nos 1 and 2 and
AGAINST Amendments Nos 3 to 6.

Ferruccio Pisoni

After the vote on paragraph 10

Mr Cassidy (ED). — Mr President, I rise on a point of order. I have been watching very carefully the voting that has been going on on the other side, on the extreme left, and on several occasions there has been double voting. I have not drawn it to your attention before because so far it has not mattered.

In this particular case the vote was lost by one, and people have been cheating over there, Mr President!

(Mixed reactions)

President. — Mr Cassidy, unfortunately I cannot take the vote again and, unfortunately, I cannot go over there and find out if double voting has been taking place. If it was a roll-call vote we could. We shall just have to keep an eye on things and perhaps it would help, if you really think someone is voting twice, to make that announcement before the figures are declared. That will make it easier.

Mr Cervetti (COM). — *(IT)* Mr President, if I understand correctly, Mr Cassidy said that someone over here was cheating. He levelled a definite accusation. Mr Cassidy has to prove this accusation because you cannot say such things in a parliament, in a democratic assembly. Mr Cassidy must produce proof, or else he has to withdraw this — how shall I put it? — opinion of his.

(Applause from the left)

Mr Cassidy (ED). — Mr President, No 4 — whose name I do not know — asked for this. It is, in fact, Mrs Cinciari Rodano, and if she is now sitting in her correct place and voting in her correct place, she has hitherto been voting incorrectly at the back.

President. — Mr Cassidy, unfortunately, from your point of view, that allegation cannot be substantiated, and so we shall have to leave it there.

Mrs Cinciari Rodano (COM). — *(IT)* I can vote wherever I wish. Expect in the case of roll-call votes for which I am required to stay in my place, I can go and vote anywhere. It does not change anything. The important thing is that it is I who am voting.

(Applause from the left)

President. — I think we have solved that problem, so we can move on.

Mr Tomlinson (S). — Mr President, I do not think you can just move on. We had a precedent set in this

House when the Deputy Leader of the Conservatives repudiated Mr Cassidy for making false accusations. Perhaps Sir Henry Plumb can be given the opportunity of following in that tradition and repudiating Mr Cassidy's allegations.

President. — Sir Henry Plumb is not asking to speak. Perhaps he would like to think about it this evening.

(Parliament adopted the resolution)

7. IMP

President. — The next item is the report by Mr De Pasquale, on behalf of the Committee on Regional Policy and Regional Planning, on the results of the conciliation procedure with the Council on the proposal by the Commission to the Council for a regulation instituting integrated Mediterranean programmes (Doc. C 2-60/85) (Doc. A 2-166/85).¹

Mr De Pasquale (COM), rapporteur. — *(IT)* Mr President, ladies and gentlemen, in accordance with established practice in this Parliament, we submit the results of the conciliation procedure with the Council on the integrated Mediterranean programmes instituted by Regulation No 2088/85, which was adopted on 23 July 1985.

As you can see from the motion for a resolution which we submit for your consideration and, we hope, your approval, the Parliamentary delegation led by the President, Mr Pflimlin, praised the structure of the Regulation, which incorporates virtually all of the principles upheld by Parliament in its opinions, but flatly refused to endorse the financial provision, which it considered totally inadequate to cover the objectives of the Mediterranean programmes.

As we all know, the present conciliation procedure is virtually, if not totally, useless. The Parliament has no authority, all the decision-making powers are in the hands of the Council, so that the procedure is quite valueless. In the case of the IMP, the Council refused to countenance our requests for a slight increase in the financial provision and for a guarantee that the funds

¹ The following oral questions were included in the debate: — by Mr Romeo, Mr Bettiza, Mr Di Bartolomei, Mr Gawronski and Mr Pininfarina, to the Commission, on the impact of the IMPs on the economic situation in southern Italy (Doc. B 2-1250/85); — by Mrs Dupuy, Mr Flanagan, Mr Musso, Mr Barrett, Mr Fanton and Mr Boutos, on behalf of the RDE Group, to the Commission, on the integrated Mediterranean programmes (Doc. B 2-1251/85); — by Mr De Pasquale, on behalf of the Committee on Regional Policy and Regional Planning, to the Commission, on the implementation of the integrated Mediterranean programmes (Doc. B 2-1252/85).

De Pasquale

from the structural financial instruments would in fact be additional.

The serious question of how the IMPs are to be financed therefore remains unresolved, ladies and gentlemen, as we saw during today's debate on the budget. The Council does not even obey the laws which it approves. Article 11 of the Regulation concerning the IMPs stipulates that 'Increases in real terms accruing to the Funds during the period concerned (1986-1992) shall help to finance the IMPs, but without adversely affecting transfers from the Funds to other less prosperous and priority regions'. That is the text of the law! But the Council is already flouting the law for the first year in the seven-year period, by proposing not an increase in the Funds in real terms, but a significant reduction.

If this iniquitous budget policy is adopted, there will be no further question of either Mediterranean programmes or structural Funds. What we are faced with is an unprecedented attack on what are at best weak development policies, which are vital if the Community is to have a minimum of cohesion.

Parliament must resist this attack with all its might. But there are other disquieting aspects in this initial attempt at the IMPs, ladies and gentlemen. We asked specific questions about these aspects during a special question session, and we expect equally specific answers. The best feature of these IMPs is that they are designed in such a way that for the first time the various Funds are required to be combined and applied jointly in a given region.

As we know, this concept of integration is opposed by the various Community and national bureaucracies, who are jealous of their own individual and hierarchical spheres of responsibility. Thus, in order to guarantee integration, what was and is needed is not only a new administrative structure, independent of the administrators of the Funds and enjoying real authority, but also and above all a higher political authority with sufficient prestige to withstand all pressures from individual splinter groups and sectors.

It was for this reason that we welcomed Mr Delors' decision to assume personal political responsibility for the Mediterranean programmes and for the coordination of the Funds. We thought and still think that this was and is an essential step which is conducive to the achievement of the proposed objective.

However, now, only six months later, when there is a need to speed things up, take decisions and ensure that the Regulation is implemented in the proper manner, it appears that Mr Delors is throwing in the sponge and backing out, by deciding to offload responsibility for the IMPs and their coordination.

Ladies and gentlemen, we have always and everywhere paid sincere tribute to Mr Delors for the major contri-

bution which he made in adopting the decision on the IMPs. Now however, with equal sincerity, we should like to say to Mr Delors — and I am sorry he is not amongst us this evening — that we shall ruthlessly speak out against any volte-face, back-peddalling or loopholes left for twisting the rules which we have drawn up together.

For instance, it is already being said that the Directorate for Agriculture does not intend to comply with the provision contained in the third paragraph of Article 7, namely that the approval of an IMP is binding for financial aid from the various Funds. It is also being said that in the opinion of some offices, in regions where an IMP is planned, no other programmes can be financed from the Regional Fund. A number of things are being said, from which it seems clear that the combined forces of bureaucracy are out to sabotage the innovatory principles of the Regulation. Let it be clear, we shall do all in our power to oppose their efforts.

The other significant innovation in the IMPs is the direct relationship with the regions, which for the first time are being given authority to draw up programmes and administer them once they have been approved. But even this step forward is in danger of being sabotaged by heavy-handed attempts to centralize everything at ministerial level in the Member States.

As Mr Delors himself said in this House — 'the national governments wish to close the door providing direct access to the regional and local authorities'. The Regulation on the IMPs has certainly not thrown the door to the regions wide open, it has merely opened it a fraction. We must therefore prevent it from being closed again permanently.

I can speak from first-hand experience only of the situation in Italy; there, the various ministries are all battling amongst themselves to take control of the IMPs and, in the meantime, they are obstructing everything and paralysing the regions.

An interministerial decree on the subject, drawn up by the Ministry for Community Policies, is in the process of being enacted in Italy. The text of this decree states 'any approach to the Community authorities concerning the IMPs is to be made solely by the appropriate national authority, which alone is empowered to authorize any direct dealings'.

Members of the Commission, Mr Andriessen, do you endorse abuses of this kind? What are you doing to safeguard the democratic spirit of the Regulation? What are you doing to give financial and technical assistance where it is really needed, particularly in the most backward regions, which are those which have both the greatest right to assistance and the least ability to make decisions and draw up programmes?

These are all questions which I fear will not be answered this evening! But we shall not let the matter

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rest. We propose to keep a careful watch on the progress of events at each stage and we shall periodically call upon you to account for the fairness, consistency, transparency, effectiveness and promptness of the decisions which it is your responsibility to make.

(Applause)

Mr Avgerinos (S). — *(GR)* Mr President, barely six months have gone by since the last debate on the IMPs, and today we are once again debating the very important report by Mr De Pasquale. I am very much afraid that this will not be the last debate on a subject which has taken a very long time to achieve legislation. Perhaps now is the beginning of the real efforts to implement these programmes, which are so essential for bringing together the Member States' economies, which will be hit even harder by the burdens resulting from enlargement.

In the debate on 13 June this year, in which Parliament stated its opinion on the proposed IMP regulation, the President of the Commission, Mr Delors, told us that a compromise solution had been found for implementing the IMPs. I now return to this subject to ask the Commission and Mr Delors the following questions. To whose advantage will this compromise solution ultimately work? Will the economically weakest regions perhaps yet again have to suffer the poor implementation of the policy of devaluation? Of course I too should like to agree, as Mr De Pasquale does in his report, and should like to single out some of the points in the report which has been adopted, points which are clearly imbued with Parliament's political will. The points I find very positive are the adoption of a legislative framework giving wider powers to the Commission to approve the programmes, the special emphasis on aid in sectors other than agriculture in accordance with the development potential of the countries, and the effort to standardize and simplify the procedures.

However, Mr President, these positive points in the regulation are not enough to make us remain silent about two important problems which are so fundamental that they can upset the whole purpose of these programmes. These problems are the lack of resources and the absence of a guarantee for the practical implementation of the IMPs by the structural funds. I shall not refer at all, Mr President, to the first kind of funding, i.e. the additional special resources in the budget line 'integrated Mediterranean programmes'.

The decision on this budget item has been taken and each one of the three Member States knows what money it will get. But what about the second type of funding? What procedure will be followed for financing the IMPs via the structural funds? On this point the Parliament-Council conciliation procedure, as the report also points out, has failed miserably. Although the Council was given the opportunity to arrange the

IMP funding procedure by means of the regulation, the latter is so unclear that it can only be interpreted as a deliberate attempt to avoid solving the problem. And this lack of clarity in the regulation may have a disastrous effect on the implementation of the IMPs.

In the Parliament-Commission conciliation procedures prior to the adoption of the regulation, President Delors promised in this House general increases in the budget for financing the structural funds, so that on the one hand the Member States receive more aid than this year and, on the other hand, the first section of the IMPs can be funded. And while the Commission proposes in the preliminary draft budget an increase in the items for financing the funds, we are now regrettably faced not only with a refusal to increase the resources but also with a proposal to reduce them. This means that there will not simply be a reduction but that a very large proportion of the amounts which are given to the Member States are completely lacking and there are no items at all to cover the financing of the IMPs.

I now come to the subject which we consider to be the crux of the problem, namely the method of financing the 2 500 million. Mr President, there is a considerable danger — since there is no special provision in the IMP regulation and since the Commission has not clearly stated its intentions — of two things happening, both of which we reject from the outset: firstly, that the Commission tells the three Member States that the amounts earmarked for the IMPs are included in the intervention amounts of the structural funds, which means that there is no funding for the IMPs, since they would have received these amounts anyway.

Secondly, that a percentage of the budget of the structural funds is earmarked for funding the IMPs, but if it is not laid down at the outset how this amount is to be distributed outside the 'ranges' of the three Member States, we shall be faced with the dramatic situation that this amount will be distributed among the 12 Member States, thus making all 12 countries Mediterranean, all needing to reform their economies.

I think that what I have said, Mr President, clearly shows a departure from Parliament's political will. Did we want this when we voted for the IMPs? Was this the aim of drawing up a regulation on the IMPs? Was the Commission's attempt at reorientation perhaps a deliberate ploy to bring the matter to a close with the 1 600 million, which are the only additional special resources?

This is why we would like an honest and definite reply from the Commission and its President. What exactly does it intend to do in order to implement the IMPs? I think that the Commission is trying to impose on us indirectly the reduction of the overall amount for funding the special budget item, i.e. the 1 600 million.

We totally disagree with this tactic by the Commission, since it is absolutely contrary to Article 10 of the

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regulation. The Commission is trying to create a smoke-screen around this problem, and is thereby refusing to take seriously not only the Members of this Parliament but, even more so, the peoples of these countries which really need aid from the funds if they are to be able to develop their economies.

(Applause from the Socialist Group)

(The sitting was suspended at 8 p.m. and resumed at 9 p.m.)

IN THE CHAIR: MR LALOR

*Vice-President*¹

Mr Lambrias (PPE). — *(GR)* Mr President, from one sitting to another we notice that our worst fears are being realized regarding the progress of one of the most inspired but, alas, one of the most hard-pressed of new Community policies, that of the integrated Mediterranean programmes, which Parliament adopted enthusiastically by a large majority years ago.

As a result of a thousand and one ploys the famous IMPs have not only ended up as a mere shadow of the original promising vision, but they are also likely to be deprived of any real substance, even though at the Luxembourg Summit grandiose declarations were made on the cohesion and the convergence of the economies of the countries and regions of Europe. How are we to interpret these declarations when the Council refuses to guarantee, and the Commission refuses to defend, the additionality of the IMPs?

The *coup de grâce* against this new policy is the reduction of resources for the necessary budget items. This humiliation means not only that there has been a reduction of the insufficient funds which the Committee on Regional Policy requested simply so that the IMPs could begin to be implemented, but also that the structural funds are being so starved of resources that — as emerged from the budget debate — it will not be possible to meet even their previous commitments.

So how and with what non-existent resources will the structural funds contribute to the IMPs? We gave Mr Delors a timely warning that a complicated revision of the IMP system, which was contrary to the initial draft regulation adopted by Parliament, would lead to a Kafkaesque situation with no way out, with a lack of both the transparency and the precise forecasting which are necessary if we are to implement a global policy for strengthening the Community's most backward regions. At present no one can say how

much net financial aid these regions will receive, i.e. whether what is ultimately granted — if it is granted — to enable the IMPs to get off to a rudimentary start will be no more than the amount which the countries concerned would have received from the structural funds anyway or, most probably, a fraction of this amount.

The group I represent, Mr President, will vote for Mr De Pasquale's report and the amendments tabled by Mr Avgerinos with a view to improving it, as a desperate attempt to salvage something from the additionality of the IMPs, even if it is only a bookkeeping entry. I stress, however, that this does not absolve the Council of its responsibility for demolishing the IMPs, nor the Commission, which helped the Council to drag its feet and to cover up its flagrant failure to honour its obligations. And so by abolishing the quota system with his new draft, Mr Delors has created an even worse mess which is ultimately unfair to some regions.

In order to go some way to make up for its special responsibility in this, the Commission should grant the necessary technical aid for setting up the IMPs and should make sure, in the sorry situation we have arrived at, that those regions are not treated unfairly which, precisely because there has been no such preparation, will lag behind others which are more ready to cope with the complicated and impractical system introduced to diminish and undermine the integrated Mediterranean programmes.

Mr Hutton (ED). — Mr President, I hardly need to remind the House that this group has from the very beginning been rather sceptical about the way in which integrated Mediterranean programmes were set up, and I was interested and rather sad to hear what Mr De Pasquale and Mr Lambrias have said. I am bound to say, however, that we have always regarded it as being an unwise exercise to begin to split the structural funds and diversify them.

What I really want to comment on tonight is what Mr De Pasquale referred to in his remarks as the completely ineffective conciliation exercise. I think it is a matter of discourtesy to this House that when we are discussing a report on conciliation between this Parliament and the Council, the Council has nobody at all, of any rank whatsoever, sitting over there to hear what we have to say about the conciliation with them. I cannot see them, Mr President, and I don't suppose you can either.

The procedure that I indulged in with Mr De Pasquale and others from the committee was completely useless. When we got into the meeting, the Council had made up its mind. It had prepared a position among 10 Member State governments from which it was not going to budge. As conciliation exists at the moment, it is a completely futile procedure. I can only hope that arising out of the meeting in Luxembourg last week,

¹ *Written declarations (Rule 49 of the Rules of Procedure): see Minutes.*

Hutton

the new arrangements for a second reading for this Parliament will, perhaps, at least give us the chance to have a little more say and give the Council a chance to be a little more flexible than they have shown themselves in this and other conciliation procedures.

Mr Adamou (COM). — *(GR)* Mr President, I am afraid that all the fears we have so far expressed in this House concerning the fate of the IMPs, on which various myths have been built about their beneficial effect on the convergence of the economies, are being confirmed.

The Community budget for 1986, which has just been debated by the European Parliament, is incontrovertible proof of this. What stands out in this budget is the Council's intention to reduce the financing of the IMPs to nothing from the very first year of their implementation. By way of illustration, I should like to refer to three specific points.

Firstly, with regard to the special item, the amount entered in the budget for the first year of implementation of the IMPs is much smaller than that which the Commission originally considered to be absolutely essential.

Secondly, there is a reduction in the resources of the structural funds, which means that these funds are unable to finance the IMPs, despite the fact that the IMP regulation expressly stipulates that they are to be financed by an increase in real terms in the structural funds.

Thirdly, the lack of financial transparency concerning the amounts from the structural funds which are to go to the IMPs is a deliberate attempt to conceal the Council's aim of putting forward as Mediterranean programmes various other projects being carried out independently of them.

On the basis of these remarks, we would stress the need, firstly, to increase the resources of the structural funds and, secondly, to apply the principle of additionality together with transparency of the items earmarked for the Mediterranean programmes. This will prevent any withdrawal of resources from other disadvantaged regions which are financed by the structural funds.

We shall vote for the De Pasquale report, which sets out these problems and proposes solutions.

Mrs Gadioux (S). — *(FR)* Mr President, ladies and gentlemen. Once again the integrated Mediterranean programmes are on the agenda for our parliamentary debates. Fortunately, today we mark the end of a very slow process culminating in the Council Regulation dated 23 July 1985. We are entitled, of course, to express our undoubted satisfaction, but problems

remain. The reasons why we should be satisfied have been listed in great detail by your rapporteur. Parliament played a decisive role, with the help of the Commission. Numerous guidelines which Parliament had laid down over the months were accepted by the Council. We may hope to see in the IMPs an example of a truly integrated policy combining flexible management with strict selection and the interests of the regions concerned with the interests of the Community regions. Let us hope that our expectations for the IMPs will not be disappointed and, incidentally, the text seems promising on the whole, both in the spirit and the letter.

However, we must not paint too flattering a picture, for there are still some problems to be solved — three, in our opinion: financial, legal and institutional problems.

Firstly, a financial problem. We had occasion to speak of this during the discussion on the budget, but I must emphasize again, as our rapporteur did, that the resources earmarked for the IMPs are insufficient and have proved to be much lower than the forecasts confirmed on several occasions by Parliament. Furthermore, care will have to be taken that the funds allocated to the IMPs are not deducted, openly or otherwise, from the funds needed to finance projects in the areas not covered by the IMPs. There are, of course, other disadvantaged areas in the Community. It is therefore extremely important that the interests of these other regions should not be neglected and, in particular, that neither the objectives nor the funds of the integrated development projects which are about to be drawn up should be called into question or restricted. The spirit of solidarity must cover impartially all the regions in difficulty and, from the technical point of view, ensure that the structural funds earmarked for the IMPs really are extra.

The legal problem, next, will perhaps be easier to solve. We must have a precise interpretation of Article 5, paragraphs 2 and 4, and of Article 9 of the Regulation on the IMPs. With the drawing up of programmes in mind, and more specifically the role of the regions, the text mentions the authorities, regional or otherwise, at the level deemed to be useful and any other authority designated by the Member State. At least four questions arise at this point. Do the regions themselves have to be associated with the drawing up of the programmes, as Parliament has always considered essential? What should be the role of the national government? Can one reasonably expect the State itself to take full charge of project preparation, ignoring the regions? Can one seriously expect, on the other hand, that the State will be strictly excluded from the whole procedure? Logic, law and reason would no doubt demand cooperation between the national and local governments, as happens already in some Community countries, for example my own country, France. But an official interpretation would

Gadioux

allow for the harmonization which is desirable, both in practical and theoretical terms.

Finally, there is an institutional problem. Your rapporteur demonstrates the limits of the consultation procedure, and has evidence to support what he says, but he shows in particular that when the agreement on the IMPs was worked out, the institutions provided for by the Treaties were virtually excluded, since it was the Brussels European Council which more or less imposed the rules of finance upon the Council.

At a time when the Luxembourg European Council is proposing a very slight increase in the powers of Parliament and European integration, it would be desirable, in terms of what is right and democratic, that its representatives should be totally involved in this overall solution, certain aspects of which seem to me to be, broadly speaking, positive. I shall therefore vote in favour of the De Pasquale report.

Mr Sakellariou (S). — *(DE)* Mr President, ladies and gentlemen, this Parliament discussed in great detail the integrated Mediterranean programmes on two occasions in 1985 alone and adopted the Commission's draft regulation with its various additions and amendments.

As stated in Mr De Pasquale's report, the Council was prepared to accept some cosmetic changes to the text. Parliament's two principal proposals however, namely the increase from 1.6 thousand million ECU to 2 thousand million ECU and the formal acceptance of the supplementary nature of the 2.5 thousand million ECU to be made available from the Structural Fund were categorically rejected.

I do not quite understand the rapporteur on this point when he praises the frank political exchange with the Council during the discussions. My own feeling in the wake of such discussions would rather be that of somebody who had been imprisoned in a soundproof rubber cell and is delighted at being allowed to utter loud screams and thrash about. My own feelings on the stance adopted by the Council are thus quite different.

In my view the Council has learned nothing from the similar errors of the past. The Council apparently views the IMP as something of a tedious exercise rather than an economic and social necessity. Unless quick and thorough remedial action is taken this state of affairs threatens the cohesion of the European Community. As far as the latter is concerned the European Council recently came to the following conclusions and I shall quote from the minutes of the Luxembourg meeting: 'A particular aim of the Community is to reduce the imbalance between different regions and promote progress in the most disadvantaged areas'.

No sooner had this noble aim been put to paper and it was a question during the preparation of the budget to

allocate funds for the achievement of these objectives than it seemed that the nine gentlemen and one lady suddenly suffered an attack of dyslexia since they appear no longer able to read their own writing, the ink of which is still wet. How else could the attempted massacre of the Structural Fund be interpreted? The gap separating the income of the richer regions of Europe from that of the poorer ones is widening daily and unfortunately the gap between the rhetorical claims which flow so abundantly from the Community spirit and the reality of the budget which smacks all too much of the stale atmosphere of national pettyfogging is widening at the same time.

In conclusion I should like to ask the Commission a question, which I should like to address personally to Mr Andriessen, who is in the unfortunate position today of having to be on duty and carry the can for the President. Mr Andriessen, do you consider the funding of the IMP to be secure and, if you do, does it represent additional financing firmly established in the budget over and above the resources for the Structural Fund and its regular annual increase?

Mr Andriessen, Vice-President of the Commission. — *(NL)* Mr President, the report and resolution discussed here this evening make, in my opinion, a valuable and useful contribution to the deliberations on the integrated Mediterranean programmes. Whatever can be said about these programmes and the way they have been handled, and whatever criticism may be made, it cannot be said that the European Parliament has not been consistent and constructive in its approach to this problem and has not given the Commission the backing needed to achieve the results we are discussing this evening.

In view of the Commission's original proposals, I can well understand that there is some disappointment as regards the financial resources allocated. The Community's commitment to tackling the problems of the Mediterranean countries in an effective manner thus seems to be less apparent than in the Commission's original proposals. On the other hand, I must say that thanks to the efforts of the President of the Commission, who I am standing in for this evening — and the last speaker might note that I do not regard my having to replace him this evening as simply a misfortune — the decision that was taken in the end offers prospects for considerable development of the Mediterranean countries. It is against this background, Mr President, that the Commission is forced to tell Parliament this evening that it currently does not intend to submit proposals to the Council for an extension to a number of measures due to expire under the EAGGF — Guidance Section, as is demanded in the report. We believe that the problems can be tackled with the resources available, but I would like to emphasize, because I understand that this is a point to which most of the speakers attach importance, that the Commission has expressly stated in the Council that it reserves the right

Andriessen

to submit amendments to the five-year programme for spending 5 250 million ECU on the Guidance Section, should this prove to be necessary — for example, to finance the plans proposed to implement the integrated Mediterranean programmes. Naturally, the Commission would rather that the Council had accepted the amount it originally proposed, but as this did not happen the Commission expressly stated when the decisions were taken that it reserved the right to request additional funds. I think this is important if we are to be serious about implementing the political objectives embodied in the integrated Mediterranean programmes.

A second point, which involves budgetary technicalities rather than the amount of resources available, concerns Parliament's wish that the funds set aside for the integrated Mediterranean programmes from the existing Structural Funds should be marked in some way. However, I fear it is technically impossible to do such a thing. It certainly cannot be done until suitable proposals have been made, and you know that there is still time to do this. The important thing is to ensure that the Funds in their present form — and they all have their own, occasionally quite complicated rules — can function normally and that the resources set aside in a number of multi-annual programmes for financing the integrated Mediterranean programmes can be provided from these Funds. Well, the willingness to do this is there, and I believe it would be unreasonable to try to devise complicated legal constructions that would be difficult or impossible to reconcile with the functioning of the Funds as laid down in the rules.

Mr President, now a brief reply to some specific questions. Firstly, I can tell Mr De Pasquale that the Greek authorities have submitted an initial draft of an integrated Mediterranean programme for Crete. The Commission will forward its opinion to its advisory committee on 16 December 1985.

Draft programmes have been drawn up at regional level for all French territories covered by the integrated Mediterranean programmes and at the level of 'département' for Drôme and Ardèche.

The Commission has so far not received any draft programme from the Italian authorities. However, I have been informed that the regional authorities in Italy are engaged in preparatory work. Regional and local authorities, interest groups such as chambers of commerce, and representatives of agriculture and the craft trades have taken part in such work in Greece and France, following the procedures that apply in these countries and within the institutional framework that has been established.

I believe this general coordination of activities at all levels for the integrated Programmes is something that is also reported by the Commission's multidisciplinary delegations which have visited Crete and all the var-

ious regions, together with the two French 'départements' involved. There have thus been extensive and numerous contacts with the regional authorities directly concerned with drawing up the programmes.

I therefore think I can say that what we and the Member States have so far done is in line with the Regulation as it currently stands, naturally taking into account the differing situations in the various Member States. This seems to me only logical. If we are to take seriously the principle of decentralization, a principle fundamental to the procedures we intend to follow for these Community Programmes, we have no choice but to take into account the differing situations in the various countries. I would like to add one thing. I understand that many Members regard this point as an important factor in their assessment of the situation. The Commission will see that justice is done to this principle that the programmes concerned are drawn up in close collaboration and consultation with the regional authorities in the Member States.

As for the technical assistance mentioned in the Regulation, this has already been provided in numerous forms. For example, measures financed by the Commission for preparation of the integrated Programmes have already led to the establishment of structures and administrative procedures at regional and local level to prepare for the implementation of these programmes. The Commission has also helped to fund the training of development officials. We shall continue with these activities. These are just some examples of the technical assistance we could provide. We shall continue to give assistance in the shape of the fact-finding visits I mentioned earlier, and we shall of course continue to provide assistance once the integrated Mediterranean programmes are approved.

As regards the question by Mr Romeo and others concerning the insufficiency of resources allocated to these programmes, I would point out that the funds earmarked are intended to supplement and combine with the existing structural instruments. I think it should be accepted that the primary aim of these programmes is to coordinate national, regional and Community financing measures in order to improve the way we spend our money, speed up administrative procedures and establish rules for evaluating the programmes implemented. For this reason, we believe that the programmes currently envisaged will have a major impact in the long term on the development of the Mezzogiorno since they will help to improve the effectiveness of State action. In view of this, the Commission does not intend at the moment to submit a proposal for increasing current appropriations.

As far as Corsica is concerned, the responsibility for drawing up the integrated Programme is shared in accordance with the rules and procedures laid down by the national law governing decentralization. As far as I know, the national officials have not exceeded their authority in this respect.

Andriessen

A final comment of a more general nature. At the intergovernmental conference there was extensive discussion, in relation to the achievement of the common market, of what in the current jargon is termed 'cohesion'. Essentially, this involves formal recognition of and solidarity between the various regions of the Community. In view of the fact that this solidarity was acknowledged and reconfirmed at the intergovernmental conference, I think that the current framework for the integrated Mediterranean programmes provides us with a basis that will enable us to give shape to this ideal, given the willingness of the Commission to request and obtain additional financial resources should this prove necessary.

Mr Avgerinos (S). — (GR) This is not a point of order. I consider that the Commissioner did not answer my questions and I should like, if I may, to repeat my question, in which I clearly asked whether, among other things, in so far as the 'ranges' are included in the funds, the resources approved from the structural funds, i.e. the 2 500 million ECU, will be exceptional and additional. He did not answer on this point. If they are not exceptional but included in these 'ranges', as part of the existing quotas, will the part due to each Member State from the IMPs then be considered as part of this amount?

If there are no additional resources outside these 'ranges', the 2 500 million ECU do not exist. And it is also clear that he told us that this year there is no such amount, but if I understood correctly, he said that the Commission reserves the right in future to request supplementary items. This means that for this year there is nothing. And frankly I heard something else which is not an answer either: 'Do not worry,' you told us, 'there are programmes which are not financed in the way you think, but differently'. They are not being financed at all. I repeat: apart from the first amount of 1 600 million ECU in the form of additional, real and special resources and the 2 500 million ECU which comes from the funds and of which the proportion to be received by each Member State is calculated according to its 'range', will there be any additional resources or not?

Mr Andriessen, Vice-President of the Commission. — (NL) I think it is difficult at this point in time to anticipate what will be attempted over the next six to seven years, but I believe I should try to do this as follows. The resources for funding the Community's Mediterranean programmes in fact come from various sources. Firstly, there are loans from the European Investment Bank. There will be a special budget of 1 600 million ECU, while 2 500 million ECU will come from the various Structural Funds. I think we have a problem for 1986 in that the appropriations set aside in the budget adopted today do not entirely accord with the estimates made by the Commission.

Thus not only will significant additional resources be available, resources will also be set aside from the structural funds specifically for the integrated Mediterranean programmes. That is the intention.

The overall amounts do not entirely correspond to what was proposed earlier, and the financing is different as well, but these resources will be available for the Structural Funds. This will in fact result in a reallocation of resources within these Funds in order to finance specific Mediterranean programmes.

The second point I discussed is as follows. In the Council we have reserved the right to request additional resources should we be convinced that the financial resources available are insufficient to cover all the plans proposed.

Naturally, I cannot now go into how these additional resources will be precisely defined — that is a question requiring further study — but the Commission has thus explicitly retained this option.

President. — The debate is closed. The vote will be taken at the next voting time.

8. EEC-United States trade relations

President. — The next item is the interim report by Dame Shelagh Roberts, on behalf of the Committee on External Economic Relations, on protectionism in EEC-United States trade relations (Doc. A 2-149/85).¹

Dame Shelagh Roberts (ED), rapporteur. — The subject of United States-European Community trade relations is undoubtedly a delicate issue, and it is a subject which is susceptible to rapidly-changing developments. Therefore, no report can hope to be wholly up to date, even if it were completely updated within 24 hours of its presentation. Equally, because there are volatile developments, it is understandable that there are volatile reactions within this Parliament and within the Community. But what I have sought to do in this report is to urge the House to take a dispassionate

¹ The following oral questions were included in the debate: — by Mr Di Bartolomei and Mr Pininfarina, on behalf of the Liberal and Democratic Group, to the Commission, on economic and trade relations between the European Community and the United States (Doc. B 2-1183/85); — by Mr Mattina, Mr Cervetti, Mr Romeos, Mr Bonaccini, Mrs Gadioux, Mr Gatti, Mr Eyraud and Mr Novelli, to the Commission, on the increase in levies imposed on European pasta products by the USA (Doc. B 2-1237/85); and — by Mr Romeo, Mr Bettiza, Mr Pininfarina, Mr Gawronski and Mr Di Bartolomei, to the Commission, on US measures against imports of pasta products from the European Community (Doc. B 2-1253/85).

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view of the problem. Against that background, I would first of all like to invite colleagues to address themselves to the subject of the report, which deals with protectionism in United States-European Community trade. In other words, it does not deal solely with United States protectionism. I think that is important.

The Parliament has, in the spring and summer of this year, adopted a number of urgent resolutions condemning United States trade measures against the Community, in particular in the steel sector and the agricultural sector. I do refer in my report to these resolutions.

But I have tried to go a stage further in the report — to go a step beyond simply protesting and condemning. I have tried to clarify the reasons for protectionism, the ways to prevent its spreading to other sectors of US-EEC trade, which I believe — and the Committee on External Economic Relations, in endorsing my report, believed — does seriously affect international trade in general.

It may seem puzzling that if everyone agrees that protectionism is bad so many States resort to it. I would like to draw attention to the recent GATT report, which I refer to in my report, which is on protectionism, which states quite clearly that protectionism has visible benefits whilst its costs are frequently invisible. One particular category of workers and shareholders benefit by protectionist measures, at any rate in the short term, but the costs of this help to them will have to be borne by consumers, both in the intermediate and the long term. Protectionism postpones and obscures the need for industrial restructuring. So it is a short-term palliative and a long-term disaster.

The consequences of protectionism for international trade are dangerous, because it is only through international trade that economic recovery will be achieved. If economic recovery is not achieved, then jobs will be lost. I draw attention in my report to the dangers for international trade in that, if we continue with protectionism, we drift towards international market-sharing practices, voluntary restraint agreements, orderly marketing agreements and the like. In other words, we drift from a multilateral GATT system to bilateralism.

There are specific sectors where this is very clear. The steel sector is an excellent example of this trend. Both the Community and the United States have imposed limits to exports by their main suppliers. The Community is now renewing, under American pressure, a restraint agreement for its exports to the United States which is meant to last until 1989. I understand that on Tuesday of this week the Council adopted the text of a steel agreement which included the last outstanding point — namely, the treatment of semi-finished products, which has now been solved. This agreement is designed to last until 1989.

True, it marks a certain liberalization in comparison with the last one as far as quantities are concerned, but it means at the same time an extension of the coverage to practically all steel products, and the time-span concerned, in my opinion, is far too long. I refer in my resolution to the fact that this agreement has been negotiated under strong American pressure, and against the threat of possible subvention countervailing duties being imposed by the United States on EC exports.

Another sector which is being organized in terms of market-sharing is the textiles sector. We all know the problems that are likely to result from the MFA.

In my view, the last thing that we should do in solving our trade disputes with the United States is to start engaging in the sharing of export markets. I think that that is particularly true in the agricultural sector. This would not only mean that any adjustment in production and trade patterns would be blocked, but would provide the background for a continuing dispute in the future over the interpretation of any agreements. We have already had an illustration of this factor in the pitfalls which the so-called Casey-Soames agreement between the United States and the EC has presented, where neither side can agree upon the interpretation of the agreement.

Thus the thrust of my report is to advocate that there is no real alternative to the GATT discipline. Therefore it should be reinforced and clarified of its rules, and its basic principles should be clarified. The definition of subsidies, the procedure for authorizing customs unions and free-trade zones, the discipline for trade in agricultural products, the dispute settlements — these are the subjects which I believe ought to be covered in the next GATT round, and this is the main thrust of my report.

It has to be recognized, however, that if the next GATT trade round is to be successful and to produce positive results, then both the United States and the Community should put something on the negotiating table so that there will be credibility in the eyes of the developing countries, some of which are by no means convinced that they ought to take part in the next round.

That, therefore, is the main thrust of my report.

I would now like to mention the amendments. I think it will be important to the House to know briefly my reaction to them. I have kept my resolution as succinct as possible, dealing with principles, and I have left the detailed problems to the explanatory statements.

Some of the amendments I have no objection to in principle, but I think they go unnecessarily into detail. There are others in the agricultural sector, if I may say so to the Committee on Agriculture, Fisheries and Food, which pre-empt the decisions which should be

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taken in the Tolman debate in January. I don't think that we ought to be discussing in connection with my report the structure of the CAP and reforms to the CAP.

I hope that that will explain why, when we come to the voting, there will be some amendments which I shall be able to accept, and others I shall urge the House to reject, not because I am opposed to them in principle but because I think they are already dealt with in the explanatory statement. Still others are quite contrary of the spirit of my report and pre-empt the debate which this House will be having on the CAP next month.

Mr Eyraud (S), *draftsman of the opinion of the Committee on Agriculture, Fisheries and Food.* — (FR) Mr President, Commissioner, ladies and gentlemen, there are indeed differences of opinion between the Committee on Agriculture and the Committee on External Economic Relations over relations with the United States in the agriculture sector. These deserve the attention of the full House, which must be the judge.

On behalf of our Committee I have proposed a whole series of amendments to which the rapporteur, Dame Shelagh, has just referred, and I would like to give our justifications for them.

Oils and fats make up 45% of American agricultural exports to the EEC. They come in duty free by virtue of a concession made under GATT during the Dillon Round. Therefore, one cannot reasonably describe Europe's attitude to American agricultural products as protectionist. Indeed, the overall situation is largely positive for the USA which is, nevertheless, multiplying the conflicts in various sectors such as citrus fruits, pasta, peaches, grapes etc. Faced with the crisis hitting its farmers, the American administration is giving in to pressure from various lobbies, each of which in turn is demanding that its ills be remedied. And Europe is becoming a convenient scapegoat for American farmers and businessmen.

Well, what is the reality? Al right, Europe helps its producers to export, one cannot deny it, but certainly no more than the USA does, which has preferential-rate credits, credit guarantees, food aid programmes, the Bicep programme as well as equivalents of our refund mechanism, which at least has the merit of transparency. It is also true that Europe has introduced agricultural levies at its frontiers, but the USA is not outdone on this by any means, with its extra levies on milk and peanuts, the Buy American Act, Meat Import Act, Wine Equity Act, plus needlessly finicky health checks. And here again I would stress that the European mechanisms are transparent when compared to the mass of obscure but nevertheless omnipresent American sectoral regulations. One comparison I would like to make concerns what happens, for example, on horsemeat imports: there have been several

cases of poisoning in France due to offal imported from the United States, but imports have not been suspended because of this.

Therefore, the Community need not be ashamed of the CAP's impact on international trade. On the contrary, I believe that its trade policy is not unfair and that a little more aggression would even be beneficial.

The preferential agreements which the Community has concluded with the ACP and Mediterranean countries are not only meant to encourage trade, but also to contribute effectively to the development and political stability of these countries. Thus, for example, regarding Mediterranean citrus fruit, we cannot accept the USA's denunciation of the Casey-Soames compromise which recognizes the legitimacy of the agreements between the EEC and the Mediterranean countries. I find it strange, Madam rapporteur, that no mention is made of this in your report. Three amendments — number 43, 41 and 9 — refer to this agreement, and it seems to me that it would be wrong if our Assembly did not adopt at least one of them.

I regret the fact that the Commission did not stress this point either when negotiating the moratorium on pasta and citrus fruit. This would tend, perhaps, to demonstrate the strength of the American lobby within our own institution. By making really needless concessions Europe has put itself in a weak position, although it has at its disposal an instrument for which it should demand respect, purely and simply. Admittedly, the path between firmness and openness is a narrow one, but it is the only possibility. To get involved in a policy of reciprocal retaliation would be just as stupid as giving in to the USA.

Such an approach implies, first of all, that the problems be solved within the multilateral framework of GATT. Therefore, we must reject the Americans' bilateral approach. Secondly, while staying within this framework, Europe must develop a more dynamic trade policy involving export credits, medium-term and long-term contracts, export agencies and a greater role for the ECU as a trade instrument. Thirdly, we must develop a concerted marketing policy between the main importers, and we must also draw up an effective food aid policy.

Still on behalf of the Committee on Agriculture, I propose in my amendment number 4 to paragraph 11 the creation of a parliamentary working party, consisting of members of the Committee on External Economic Relations and the Committee on Agriculture, whose job it would be to monitor the negotiations, even to take part in them, and to report regularly to our Parliament. I envisage something along the lines of the committee set up for dairy quotas. Indeed, it seems to me very important that our Assembly take part in future international negotiations in this manner, so it could oppose any escalation in the subsidies' race and in protectionism.

Eyraud

I am sure that Europe will find allies in the world. It would also be demonstrating that it had a will of its own, something too often lacking at international level.

Mrs Gadioux (S). — (FR) Mr President, ladies and gentlemen, I am speaking on behalf of my colleague Mr Mattina, the author of this oral question, who cannot attend because he is ill. I am going to attempt to speak in Italian and I would ask you to bear with me.

(IT) I shall concentrate mainly on the question of citrus fruits and pasta products, which are the subject of our question to the Commission. We greatly deplore the increase in duties imposed by the United States on pasta products imported from Europe. While in one respect we welcome particularly the speed with which the Commission drew up counter-measures, which came into force immediately after the American decision, in another respect we have doubts about the desirability of this reciprocal blackmail which will ultimately do most harm particularly to the weakest economies in the Community. It is no coincidence that the products which the United States has picked on are vital to Mediterranean agriculture or the products of an industry which is anything but technology-intensive.

We therefore call upon the Community to protect the interests of its southern Members, not by intensifying the present trade battle, but by tackling the problems of world trade as a whole. The start of a new round of GATT negotiations is very encouraging, and we would accordingly like to ask the Commission what strategy it proposes to adopt for the new multilateral negotiations.

The so-called spaghetti war does not concern only ourselves and the United States. In our July resolution we rejected America's protests concerning the preferential agreements between the Community and the poor countries of the Mediterranean basin. Today we would like to reaffirm our wish that these countries, who do not have adequate resources to gear their production to market requirements, continue to enjoy preferential arrangements.

Moreover, the purpose of these agreements is to provide cooperation with development and not to obtain an economic advantage for the Community. This is borne out by the recent undertakings made by the Council to maintain the traditional trade-flows even after the accession of Spain and Portugal and to finance the rational and diversified development of the Mediterranean countries.

We welcome the conclusions of the Council because, on the one hand, we could be doing something more than simply providing assistance and, on the other hand, the sacrifices will be more equally distributed throughout the Community. We urge the Commission

to continue with the negotiations, adopting this approach.

(Applause from the left)

Mrs Wiczorek-Zeul (S). — (DE) Mr President, ladies and gentlemen, our Group essentially supports the demands of the report submitted by Dame Shelagh Roberts. There have been many examples in the past where we have noted an increasingly protectionist trend in the USA and have drawn Parliament's attention to it. Regarding the latter, however, we distance ourselves from the appraisal of the situation which Dame Shelagh Roberts presented in her oral introduction.

In our view there are two systematic reasons for this. Firstly, the high value of the dollar has led to an increase in European imports to the USA while at the same time prompting more and more calls for protection measures in the USA. May I remind you that this was not a deliberate export strategy on the part of the Europeans but rather the result of the dollar exchange rate. For the rest, the Europeans paid for it dearly with a massive capital exodus.

Second, we feel that in the USA, and there is documentary evidence to support this, they no longer talk about *free* trade but rather increasingly about *fair* trade. This is simply a cover for a strategy which calls for liberalization and free trade wherever US firms are well established, for example in the GATT services or in insurance, in other words application of the adage that free trade is the best protectionist measure for the strong trading partner.

Wherever the USA seeks to protect its own advantage against competition it attempts to hinder trade with Europe. Perhaps it is a shortcoming in the report presented that we in the Committee on Foreign Trade Relations have ignored the whole issue of the prevention by the USA of European technology export and have failed to discuss it. May I remind you while on this point that the USA clearly uses the Cocom list to prevent European exports to the countries of Eastern Europe. May I also remind you of the extraterritorial legislation of the USA which provides for draconian penalties for European firms exporting technologies not sanctioned by the USA.

This is why we feel that these American protectionist measures are more than mere one-off lapses but that it is more a question of a deliberate strategy of worldwide redistribution of employment to the detriment of the Europeans, and such action on the part of a country with which we Europeans are joint members of a defence alliance constitutes an act of aggression. Specific cases were quoted such as, for example, the raising of US customs duties on European pasta products or the plans submitted to the American House of Representatives for unilateral restrictions on the

Wieczorek-Zeul

import of textiles and clothing. These are measures which will have a drastic impact on the negotiation of the new multi-fibre agreement. Thirdly, there are the restrictions on steel imports and over the past few days we have seen how these restrictions have been extended to include semi-finished products.

In the light of these facts the pronouncement by the American commercial attaché sounds like derision. He warned Europeans about unfair trading practices while at the same time stressing that the US approach did not constitute an 'aggressive provocation' but rather 'a defensive strategy to correct inequalities'. It is our hope that the American Government does not adopt similar methods with regard to military security and redefines offensive strategy as defensive strategy.

The Socialist Group is supporting all the motions, including that tabled by the rapporteur, which call on the Commission to take firm political action on the trading front so that the interests of the Community can be protected. One of the conditions must be that the European Community will not give consideration to the GATT negotiations until the USA has assured Europe that in future there will be no protectionist measures and that for the pending cases an approach based on partnership will be adopted rather than one of patriarchal dominance.

Lastly let me call upon the Commission to develop an effective counter-strategy against these blatant American moves and not to consider each instance as an individual, purely coincidental mishap for unless something is done our foreign trade policy will be marked by a singular lack of success.

Mr Blumenfeld (PPE). — *(DE)* Mr President, one feature of night sessions is that we become a sort of exclusive club meeting essentially for the sake of the minutes. I have no idea whether the other members will read up what we have said but I will nevertheless attempt to make appropriate comments on behalf of the European Democratic Group.

Let me start by saying that we fully agree with the report submitted by Dame Shelagh Roberts not only in theory but also with regard to the point she made, which we wholeheartedly support, and that is that it is not a question of launching an ideologically-motivated attack on the USA — such as was proposed by Mrs Wieczorek-Zeul — but rather that the difficulties should be discussed in a down-to-earth manner so that the problems can be solved and the Commission helped in its difficult negotiations with the US Government. I consider this debate today to be particularly appropriate because in a few weeks time a delegation from the European Parliament will be meeting a delegation from the American Congress with which it will and wants to discuss these problems in detail. The questions raised centre on one essential point, i.e. whether we can avert a trade war with the Americans

or whether we will continue to work ourselves up as we have in the past — a development I consider would have disastrous consequences. There can only be one loser irrespective of whether trading with steel, pasta products or other agricultural produce, cars or whether retaliatory measures are imposed.

We cannot point our finger at the Americans for we too are living in a glasshouse — a point made clearly by Dame Shelagh. It is not a question of putting the Americans in the dock but rather of attempting to find a new way out of these difficulties. In our view this way can only be found — and this point was also made by Dame Shelagh in her draft — by avoiding any weakening of the open multilateral GATT trade system. It is only within GATT that we can achieve free world trade and effectively strengthen all parties involved, including the developing countries and in particular the situation of the workforce in Europe. One thing is certain, this cannot come about through bilateral negotiations or agreements with the Americans. Quite out of the question.

I have tabled an amendment. I realize that it was not adopted in Lisbon. In the light of many years' experience I propose in my amendment that this Parliament, instead of sitting here and complaining and being offered in Congress exactly the opposite of what we are stating here today should meet the American Congress, which is unfortunately much more powerful a body than the European Parliament, in the form of groups of experts so that the current major problems can be discussed outside the context of the annual meeting of delegations and the Commission's negotiations can be afforded more effective support.

I realize that the Commission here is the executive. In view of the fact that the American Congress exerts direct influence on the negotiating mandate of the American administration, I consider it important that our Parliament should be in a position to negotiate with our American partners in various different sectors and not only agriculture, important though it be, such as textiles, steel, and the commercial sector so that they can be made aware of our problems. This essentially is what we must achieve. There is no point in we or the Congress complaining that we are waging a trade war from which only third parties and the Soviet Union will benefit. It is much more important that we communicate!

Mr Moorhouse (ED). — Dame Shelagh Roberts has done a valuable service in preparing and presenting this report on protectionism in US-EEC trade relations. Let me say we both applaud the contents and the spirit of her motion for a resolution. It is, of course, an own-initiative report and, as she has indicated, it was sparked off by concern expressed from all sides of the House and, if I may say so, my own motion for a resolution tabled last November on the dangers of protectionism in US-EEC trade relations.

Moorhouse

Mr President, all of us have been keeping an anxious eye on the United States trade scene and more particularly the call for protectionism in the United States Congress, to which Mr Blumenfeld has alluded. This concern has often reached fever pitch, not least in relation to Japanese exports to the USA — also the subject of much concern here in Europe. But as any well-informed commentator on the US trade scene will be acutely aware, one needs to draw a very clear distinction between the attitude of the US Congress and that of the US Administration. I believe it is very much to the credit of the US Administration that, notwithstanding the enormous pressures put on it by the US Congress and by pressure groups in the US, they have to a considerable extent managed to hold the line, and long may that continue to be. Indeed, the new United States trade representative said recently: 'I have told Members of Congress that some of their legislative proposals are useful as leverage as long as they do not pass them', which was, I felt, an auspicious beginning to his term of office. On the other hand, he also said on another occasion: 'There is no sense in pursuing free and open trade if nobody else does. The US has not been as strong as it should have been on trade issues' — another, I think, significant statement. This philosophy led him to pursue the notion of reciprocity but only, as was said, if this were sufficiently flexible to avoid mandatory retaliation against countries which do not provide equal access to US companies. Again I think this is especially relevant to the situation in Japan, where, alas, the Japanese cannot exactly be said to be practitioners of free trade, however keen and fervent they may be to take full advantage of free-trade opportunities in other countries.

Now it remains to be seen what will come of the clamour for protectionism by the US Congress and people in the light of the recent decision by the five finance ministers in effect to devalue the dollar, not least against the Japanese yen. This highly significant decision may do much to relieve the pressure on US interests, for imports into the USA had rocketed by not less than 30-40% in value from '83 to '84.

With these few words we have much pleasure in supporting Dame Shelagh's report.

Mr Bonaccini (COM). — *(IT)* Mr President, ladies and gentlemen, in the last few days the governors of the central banks of the European countries met in Basle to count the cost of intervention to protect the dollar from the situation into which it had got itself. The cost was almost 12 000 million dollars, which was accordingly lost to our countries' reserves, in order to bring about a downturn and so help to achieve a recovery in United States' trade.

We duly discussed the matter in this House at the time and agreed — as the central banks of the European countries will agree in the next few days — that this measure will not be sufficient and that we cannot con-

tinue to drain all the reserves from our central banks in order to help bring down the value of the American dollar.

World problems and relations between individual areas are obviously tackled with an overall policy and, if I am correctly informed, the central banks are responsible for this, not merely the five central banks represented in New York in September, but also all the other central banks, including that of my country and the Benelux countries, which acted to bolster up the world economy although, I would repeat, this is not the correct approach to these problems.

This is why we must make it quite plain to our friends in the United States that it is more than high time to have a frank and open debate on major world problems, rather than being confronted with decisions taken in an almost blackmailing fashion, and to tackle the situation not from an ideological standpoint but taking account of what concerns us, namely the Third World, business problems, the problems of industry, trade problems and the matter raised by my colleague, Mrs Wieczorek-Zeul, namely the shifting of unemployment from one part of the globe to another.

This is why the obvious forum for these negotiations is GATT, although we are well aware that the main result of all these measures has been the strengthening of the Japanese economy, which has gained at least 60% from the great strength of the dollar.

When we call for some control over relations with the United States, we are prompted by the concrete problems which exist and not by abstract arguments on the subject of protectionism, in other words we are concerned with what needs to be protected to ensure that not only does the European economy not suffer further losses in currency, jobs and industrial products, but that all world affairs will be treated with equity and dignity. Above all we are motivated by a desire for equality, which is vital to ensure mutual respect amongst the nations and peoples of our earth.

Mr PiniFarina (L). — *(IT)* Mr President, ladies and gentlemen, I should first of all like to congratulate Dame Shelagh Roberts on the report she has presented. The Liberal and Democratic Group will vote in favour of this report, because it lays down certain principles which in our view are fundamental. These principles have already been outlined in the oral question submitted by my colleague Mr Bartolomei and myself on behalf of our Group.

The first principle is the unequivocal condemnation of protectionism as a means of resolving our countries' economic difficulties. As we know, economists argue about virtually everything. But on one point they are all in agreement: protectionism in foreign trade harms those who practice it and those who are subjected to it, and eventually undermines the economies involved.

Pininfarina

In the past, there were times when the Western World enjoyed periods of greater prosperity when political leaders had the courage to throw open their countries' frontiers to international trade. The American economy has now started to function again and produce. But Europe will be able to benefit from the driving force provided by America only in a climate of free trade and thriving economic relations, in which European products can acquire shares of the American market and American capital can be invested in Europe.

The EEC must therefore refrain from countering protectionism with protectionism, since a protracted trade war between the EEC and the United States would do serious harm principally to the European economy. Thus, the only possible alternative to a trade war is bilateral negotiations, but, in this connection, the EEC itself does not have an entirely blameless record. It is true that there is considerable pressure in the United States, from Congress and various economic sectors, for the adoption of protectionist measures. This pressure is the result of the difficulties which the strong dollar has caused for American manufacturers. But an American economic policy — from the dollar to foreign trade — which does not take account of the consequences on the economic situation in the rest of the world, and particularly in the allied countries, is inconceivable.

For this reason, the United States Administration must continue to be firm in resisting protectionist pressure.

However, the EEC does not have a clear conscience either. It is unlikely that progress will be made in the negotiations if the Community does not show that it too is willing to abandon its protectionist policies. In at least two sectors at the centre of the trade war between Europe and America, the EEC adopts openly or disguisedly protectionist policies. The agricultural policy is quite openly protectionistic with the rigid tariff barriers which it erects against imports from third countries. And the steel policy is also protectionistic, albeit not obviously so. The massive public subsidies designed to keep in the market firms which would otherwise disappear are no different from protectionism, in the strict sense, either in intent or consequences. Shoring up industries distorts international competition every bit as much as trade barriers.

At a meeting which I attended recently in Washington, American industrialists said that they consider the Europeans to be the real protectionists, with their policies of blanket subsidies. This is a very widely held conviction in the United States, even outside the sectors involved in the trade battle waged in recent months.

The European negotiators, led by Mr De Clerq, Member of the Commission, who I am pleased to see here listening to me this evening, need to be aware that this is the view of our American trading partners, and they

therefore need to sit down at the negotiating table prepared to assert their rights but also to undertake their obligations.

Mrs Thome-Patenôtre (RDE). — *(FR)* Mr President, ladies and gentlemen, on behalf of the RDE Group I would like to stress that the report by Dame Shelagh, to whom I would like to express special congratulations, is of particular importance, coming at a time when we look forward to a new round of GATT talks.

The text before us sums up the various conflicts which have arisen between the EEC and the United States over the past few months and years in such diverse sectors as the steel industry, agriculture, textiles and technology transfer, and which have gradually undermined the very nature of trade relations between Europe and the United States.

It is becoming more and more clear that, as a general rule, the Community is not to blame for the disputes with the United States. Therefore, it is not up to the Community to bear the brunt of the USA's internal economic developments, especially since it respects the rules of the game worked out in advance, and also since the evidence is that the real reasons for American protectionism go much deeper and are quite different — take the dollar, for example — but I do not wish to go into details here because this would take up too much time. In addition, a dominant economy such as the USA's cannot just exploit its privileges while ignoring its duties, in particular that of contributing to a balanced policy on trade and capital flows. The report clearly demonstrates that because of the retaliatory measures it would inevitably induce, a protectionist policy can, at the end of the day, only have a negative effect on the whole world. Instead, we must try to obtain balanced development of trade in general. The problems between the EEC and the United States temporarily on ice must not be settled through unilateral decisions. Bilateral solutions involving the United States and the EEC must be found within the framework of GATT. Moreover, President Reagan has fully understood the dangers inherent in protectionism, including those for his own country, and here I can quote a small example which is not in my written version: when children play marbles and one of them wins the whole lot, that's the end of the game because he is the only one who has any.

Parliament is still concerned at the various restrictive bills now before the American Congress and it hopes that President Reagan's words and decisions will sway the American legislative process. Our Group intends to vote for the report submitted by Dame Shelagh on condition that certain of our amendments be adopted, thus incorporating certain modifications which would satisfy our Group.

Mr Ulburghs (NI). — *(NL)* Mr President, I would like to draw attention to a sector not covered in the

Ulburghs

report but which could cause great difficulties. I refer to coal imports from the United States. Policy towards coal imports and the preservation of coal-mines is due to be considered by this House in the coming weeks. However, I would like to raise this issue in today's debate. Should the authors of the report prepared on behalf of the British Labour Party prove to be right, a great deal of cheap coal from the United States and other countries will be unloaded onto the European market at dumping prices. However, if so-called unprofitable mines in Europe are forced to close as a result of this unfair competition, world trade might then increase to such an extent that coal prices will go through the roof. However, it will be too late. Our mines will already have been shut down.

The study devotes particular attention to imports from the United States. I hope the European Community will also bear this aspect in mind. The low-sulphur mines in Wales, Scotland and Belgian Limburg should not be unnecessarily compelled to close because of the commercial policy of energy multinationals.

We call for economic autonomy of the European Community, above all in the field of energy.

Mrs van Rooy (PPE). — (NL) It is not our intention to worsen the trade climate between the EEC and the United States. Nevertheless we do wish to make it clear to our American friends, the American Administration and the American Congress that we are extremely concerned at the hardening of the US attitude on trade policy, particularly since this is no accident but seems to be a structural development. The reason behind the series of protectionist proposals and measures in the United States is naturally the dramatic rise in the US trade deficit. A deficit that has more than doubled in the space of two years and which will probably come to around 150 000 million dollars this year, a gigantic deficit which is also causing the United States gigantic problems.

Certainly, we have great understanding for these problems, but one thing should be clear: they will not be solved by protectionism, which simply combats the symptoms. The causes must be tackled, in the first instance the decline in the competitiveness of part of American industry due to lack of investment, particularly in the traditional sectors, notably steel, cars, textiles and footwear. Of course, it will not do at all to shift the consequences of the failure to modernize in these sectors onto the USA's trading partners.

We in Europe have already had to pay a high price for the restructuring of the European steel industry in the shape of substantial job losses. It is therefore unacceptable that Europe should now also have to pay part of the price for the obsolescence of the American steel industry as a result of the tight restrictions on our steel exports to the United States. My Group thus finds it difficult to accept the agreement signed the day before

yesterday by the Council of Ministers with the United States, under which a large proportion of steel exports will continue to be fully regulated until 1989. These bilateral steel agreements over such a long period are in blatant contrast with the principles of free trade, which the US Administration still continues to invoke. Another point concerning steel: we find it absolutely unacceptable that there should also be restrictions on the export of semi-manufactures next year. The Commission needs to adopt a clear and uncompromising stance on this point.

Another causal factor, which has already been discussed at length, is naturally the high value of the dollar in recent years. Fortunately, it has already fallen somewhat to a more realistic level, although this cannot be maintained in the long run unless the budget deficit in the United States is reduced to normal proportions. We therefore welcome the fact that Congress reached an agreement last week on the gradual reduction of the budget deficit by 1991. Naturally, what counts is to have these fine intentions put into practice.

I find it disturbing that American trade policy simply brackets Japan and Europe together. This is of course totally unjust, since the deficit that the United States has with Japan is primarily of a structural nature — which is not at all the case with Europe — and moreover much larger. A quite different policy is therefore required towards Japan, a policy with which Europe should incidentally cooperate.

A comment concerning GATT. The United States is pursuing a hazardous policy with its increasing number of bilateral trade agreements. This may yield benefits in the short term, but the long-term result will be steadily diminishing respect for the rules of international trade, and the United States will be among the losers.

Mr Kilby (ED). — Mr President, when industrial leaders in the world's strongest economy call for protectionist measures to defend American interests, it is time for us Europeans to speak up for the interests of Europe. When these same industrial leaders visit their subsidiary operations in Europe they preach the virtues of free trade, and rightly so; but back home they preach protectionism. Their siren call just lately also lets the cat out of the bag. It exposes the fact that we Europeans cannot rely upon Americans to represent European interests, notwithstanding the fact that Americans control large and vital areas of the European economy.

Corporate decisions taken by American industrial leaders have a vital influence and effect on our future. That is why we must speak up. Americans cannot really blame Europe for the flood of imports over the last five years. They themselves are largely responsible for the trade deficit by pursuing a high interest-rate policy to finance budgetary deficits. What did they

Kilby

really expect to happen when the strongest and most stable economy in the world offers interest-rates of up to 19%, which was their policy starting-point six years ago?

Of course money flooded into America from Europe and from the rest of the world, which inevitably pushed up the value of the dollar, thus sucking in cheaper imports and making their own exports less competitive. What else did they really expect to happen? We should tell the Americans in no uncertain terms that protectionism is not the answer. Indeed, the repercussions could be detrimental to their subsidiaries in Europe. The answer surely is for the Americans to change their high interest-rate policy: this would reverse the flow of capital, reduce the value of the dollar still further and correct the trade deficit which has led to the call for protectionism in the United States.

So, in conclusion, I want trade between the United States and Europe to expand and prosper, to the benefit of both trading partners, not flounder in the bog of protectionism.

(Applause from the benches of the European Democratic group)

President. — Well said, Mr Kilby, in a good American accent!

(Laughter)

Mr Filinis (COM). — *(GR)* Mr President, the question of the economic relations between the EEC and the USA is one of the points which demonstrate the need for a united, independent and economically autonomous Europe. There are many points in Dame Shelagh Robert's explanatory statement which show, sometimes explicitly and sometimes implicitly, the competition and rivalry which have grown up between the EEC and the USA.

The USA's present policy is to make the rest of the world pay the cost of restructuring its own economy. And a large share of this cost is borne by the economies of Community countries. What is more, it is no coincidence that the USA adopts a particularly aggressive policy towards the Community whenever we show firmness in promoting European unity.

The USA has today opted to base the restructuring of its economy on the armaments industry. The deficits in the US public sector continue to increase as a result of this choice. They are producing more and more weapons, while continuing to limit expenditure for social purposes. This policy requires financing from abroad and requires capital which is attracted by high interest rates and the rates for the dollar.

This flow of capital to the USA has considerably delayed the revival of the European economy and the

renewal of its production capacity. As long as the USA needs this capital, it will pursue a protectionist policy towards imports. What is more, it has recently decided to reduce steel imports drastically. However, it is becoming apparent that they might soon adopt an aggressive export policy, with a drastic fall in the price of the dollar, and we think that the EEC ought not to be unprepared to meet this American challenge.

Our party is aware of these dangers, and we are determined to support any policy which strengthens the Community's unity and helps it to stand up firmly against the USA's anti-European economic policy. So we ask Parliament and the Commission to work out an overall policy on the economic, commercial, political and cultural relations between the EEC and the USA.

Mr Raftery (PPE). — Mr President, I should first of all like to complement Dame Shelagh Roberts on this report, the tone and content of which I can agree with in general. Much has been said about the problems of the Americans and why there is pressure for protectionism in the United States. I won't go into that, but agree that their over-valued dollar, high interest-rates and all the various other factors and not the Europeans are responsible.

We in Europe are only too well aware of the dangers of protectionism, as is evidenced by the pressure from all sides of this House to open up our internal markets and to create a genuine market within our Community. We know the benefits which can come to all from the liberalization of trade and services. Yet what seems obvious to both ourselves and the Americans when considering our own internal markets, becomes less clear when we start to talk about external trade. Of course, both sides have legitimate interests to defend, and I would be the first to urge the Commission to take whatever measures are necessary to protect Community interests. However, our aim must be to see that legitimate interests are defended within the framework of existing committees and in compliance with GATT rules, which is the only way of settling trade disputes of common concern as quickly and as effectively as possible. Unfortunately, the United States has, instead, resorted to protectionist trade-policy measures such as the Omnibus Law of November 1984, which permits unilateral action for resolving trade disputes. Indeed, the US has already decided to withdraw from the GATT agreements in the dairy sector. This kind of measure threatens the development of trade relations and causes deep concern on the part of the Community as to the effects of future unilateral decisions by the US.

Throughout 1985, the United States has pursued an aggressive agricultural policy which raises the question of an unwillingness to achieve balanced trade relations. The bonus incentive commodity export programme announced in May will cost the American

Raftery

taxpayer 3 billion dollars over the next three years and has been specifically designed to assist US exporters of cereal and dairy products to capture markets which, according to them, have been lost to EEC subsidized exports. This, despite the fact that overall US subsidies are higher than those in the EEC and at 19% the United States accounts for almost twice the Community share of world markets.

It is also significant that the Community has an overall deficit in agricultural trade with the United States of some 4.4 billion ECU, in particular in the animal feed sector. American exports of corn gluten feed continue unabated, despite repeated requests for a stabilization which could be negotiated through GATT. While the Community has continued to respect GATT rules, the US Congress is determined to counter any EEC restrictions by immediate unilateral retaliatory measures. This hardening in the United States approach to trade relations with the Community has also produced some other subtle forms of protectionism. Cocom rules have already been mentioned tonight on the transfer of technology to Eastern Europe. These are unnecessarily inflexible and impose considerable restraints on European industry. Yet, there is considerable evidence — and I hate to say this but it is true — to suggest that the US is actively flouting its own rules in this area to the detriment of the Community by exporting business machines on the Cocom list to Poland. By so doing, the US is not only cheating on its partners but is demonstrating a lack of military sensitivity where Cocom products are concerned. Indeed, the Commission in an answer to me received only yesterday, said:

In practice these regulations are being applied to civilian products which should normally benefit from liberal trade rules which apply within the Community and by virtue of the GATT internationally.

This situation cannot be allowed to continue.

Finally, let me say that we in Europe can understand the protectionist measures currently facing the United States. We have faced similar pressures many times before, but just as we, the States of Europe, have realized that protectionism would not solve our problems, and, as a consequence, have resolved to move towards even closer union, so too must the United States realize that a protectionist attitude will not resolve its problems in international trade. Such an attitude can only hurt her friends and ultimately herself.

Mr De Clercq, Member of the Commission. — (NL) Mr President, in my address I would like to concentrate on four topics which are to a great extent interconnected. We are discussing the report by Dame Shelagh Roberts and the motion for a resolution it contains, and here I would firstly like to congratulate Dame Shelagh Roberts on her informative, valuable and realistic report, which may truly be described as a valuable contribution to trade policy.

With respect to the oral questions by Mr Di Bartolomei and Mr Pininfarina and by Mr Mattina and others, together with the motion for a resolution tabled by Mr Romeo, Mr Bettiza and Mr Gawronski, the Commission readily endorses the clear and unambiguous stance of the European Parliament against any form of protectionism as a solution for the problems affecting trade relations between the EEC and the United States. The announcement by the American Administration that it will from now on pursue an aggressive strategy against what it calls unfair practices on the part of the partners of the United States, an attitude in which, along with open anxiety about fair trade, protectionism plays a major role, certainly demonstrates the justness of the concern expressed in this report.

The analysis in the motion for a resolution largely accords with our own. The extremely high value of the dollar has indeed boosted imports into the United States and curbed exports, leading to the enormous deficit on the balance of trade with which we are all familiar. Import restrictions imposed by the United States will undoubtedly have adverse consequences, primarily for the economy of the United States and for American consumers, but also for the entire international trading system.

We therefore hope that the decisions taken by the Group of Five on 22 September 1985 concerning coordinated intervention by the central banks on the currency markets will continue to be applied and will lead to an improvement in the situation.

We are also delighted at the clear and courageous stance of President Reagan in, for example, refusing to introduce import restrictions on shoes. We therefore logically expect from him that he will veto the bill passed by Congress on textile products, since fresh restrictions in this or any other sector will solve nothing. On the contrary, they will have adverse effects on bilateral relations and the multilateral system as a whole.

(The speaker continued in French)

Mr President, ladies and gentlemen, the Commission fully shares the opinion expressed in the report, i.e. that the solutions to our bilateral problems should be found in the context of the rules of the GATT multilateral trade system.

An important step towards launching a new round of multilateral trade negotiations was taken at the end of the meeting of GATT Contracting Parties in late November. The United States and the Community, which together bear much of the responsibility for the success of this new round, have a vested interest in cooperating to improve and strengthen the multilateral system; this is what we did at the meeting, and it is in this context that we must see the settlement of our differences. In addition, the Commission will have the

De Clercq

opportunity of discussing all these matters with a group of American Cabinet secretaries whom I shall meet tomorrow morning, in a few hours time, together with President Delors and other Commissioners. What my colleagues and I will say to our American interlocutors will be along the lines of the opinion expressed by the European Parliament.

Mr President, I would now like to try to give a general and joint reply to the two oral questions and the motion for a resolution.

As regards GATT and the questions put to me, I have just mentioned this and I repeat: I am happy to announce that the aim, i.e. of launching a new round of multilateral trade negotiations, seems to be in sight, and that the meeting of GATT Contracting Parties, which ended on 28 November, as you know, decided to set up a preparatory committee to make active preparations for launching the new round, something which undoubtedly constitutes progress.

It is correct to say that in view of the USA's record trade deficit protectionist pressures there have reached an unprecedented level. It is true that as a whole the US Administration has resisted this pressure and refused to take protectionist measures, as is the case with footwear, for example. However, while confirming his adherence to a liberal import policy, President Reagan has announced his intention to tackle a number of practices by third countries which the United States considers are unfair barriers to American exports. Thus, in general terms, whereas we can be happy at the American authorities' rejection of the protectionist option, we must remain vigilant. The American criticism of others' unfair practices, or unfair trade as they call it, poses a serious definition problem. Inherent in this is the temptation to believe that it is always the other side which is being unfair, and on this point, let us be frank, the United States certainly does not have a monopoly on virtue.

On the contrary, a recent review by my departments of American trade practices has clearly confirmed this by recording a series of unfair measures and laws clearly aimed at protecting certain American industries. This examination is being carried out in conjunction with the Member States with the double aim of, on the one hand, ensuring the legitimate defence of our trade interests and, on the other, of discouraging the American authorities from continuing their policy of ultimatums and unilateral measures, a policy which, if it became systematic, would seriously threaten the multilateral trade system.

Mr President, these are the guiding principles in our negotiations with the United States on the specific issues facing us, and if you have no objection I will run through them quickly.

Steel: in the steel sector we have managed to negotiate and conclude with the American administration a

four-year arrangement covering our exports to the United States. Of course, there can be no ecstatic rejoicing about this because it involves new curbs on trade. However, the existence of the American presidential programme for steel, under which exports from all the USA's large supplier countries are subject to restrictions, gave us no grounds to hope that the European Community alone would be spared such curbs. The other possibility would have been continuous harassment of our exports. This agreement will allow us, therefore, to safeguard the flow of exports worth 2 500 million dollars a year which we currently have with the United States in this field, and it will ensure stability for such trade during the coming four years. Under the new accord there will be an increase of 150 000 tonnes in the quotas laid down by the 1982 arrangement covering carbon steels, while there has been no change in the quotas for tubes and pipes. If one looks at this objectively, given the circumstances I believe that this is a positive agreement, and has been received as such by our industry and has, moreover, led to reactions from Japanese industry which feels it is being less favourably treated than Europe.

Tinned fruit: you will recall that our processing subsidies for tinned fruit were the subject of a GATT panel report which went against us. This report had already caused the Member States to contemplate certain reductions in such aids, and, after difficult negotiations, we were able to reach agreement with the Americans on a 25% reduction, starting from the 1986/1987 season, instead of the 50% initially requested by the Americans. The Council's ratification of this agreement last Tuesday allowed us to avoid a new open confrontation with the United States fraught with the risk of retaliation and counter-retaliation.

Pasta and citrus fruit: as for our dispute on pasta and citrus fruit, from the outset the Commission let the Americans know that any measure they took against our Mediterranean agreements would be contrary to their obligations under GATT and would trigger an appropriate response from us. The Council of Ministers, while fully sharing this opinion, asked the Commission to seek a negotiated settlement. This has not been, and is not, easy by any means in view of the Americans' requests for a concession in the citrus fruit sector, an extremely sensitive sector in the Mediterranean context. We are continuing our efforts but we will not give in to a policy of ultimatum by the United States. We also took immediate counter-measures against American nuts and lemons when the United States introduced stiff import duties on our pasta.

In connection with this latter product, allow me, Mr President, to express surprise at the reference contained in the opinion of the Committee on Agriculture, Fisheries and Food to what was called the compromise between the Commission and the United States. To begin with, it is totally wrong to say that the Commission was criticized by the Council, as the opinion claims.

De Clercq

Secondly, as we explained in our report to the Council on this matter, a copy of which was sent to the draftsman for the opinion, the Commission in no way decreased export refunds as the price of a four-month moratorium. This was a separate decision, taken as part of our efforts to manage the market, justified by the market situation and making it possible to solve another conflict with the United States looked into by a GATT panel. The separate nature of our decision is clearly demonstrated by the export refund increases which have been introduced since in order to take account of the dollar exchange rate, market prices and, of course, the American import duties introduced at the beginning of November. Against this background, Mr President, I must clearly reject the criticism expressed in the opinion.

As for our relations in the agricultural sector as a whole, they will continue to be strained as long as the United States continues to base its attitude towards the Community on *a priori* rejection of our export refund system, a system fully recognized by GATT, and, what is more, with the agreement of the United States which itself takes advantage of a waiver for its numerous agricultural import restrictions. I will now finish by answering two specific questions put to me.

As regards extra-territorial application of American legislation and its potential effects on Community firms, in particular the extra-territorial application of American legislation curbing the export of high-technology products, the Commission has approached the American authorities on numerous occasions. It is working for an arrangement with them under which specific problems cropping up could be settled in a pragmatic manner respecting both sides' sovereignty.

To this end, the Commission has, in particular, asked the American authorities to notify it in advance, i.e. prior to the final decision, of measures likely to affect Community firms. This problem is also currently being studied within the OECD, and the Commission is playing an active part here.

On the other hand, GATT has no provision for regulating such matters and therefore is not the right place to seek a solution.

Finally, you have asked me about unitary taxation, which, I would remind you, is a taxation system applied by a number of American States under which multinational companies are taxed on their worldwide activities and not solely on the basis of their activities within the particular State in question. The Community has approached the American authorities on numerous occasions in connection with this.

A federal bill has been introduced to Congress which takes account of the Community's concern to avoid double taxation. The Commission will continue to put pressure on the American authorities for this legislation to be speedily adopted and applied.

I thank you for your attention; I felt I had to give as full an account as possible despite the late hour because this is an important debate.

(Applause)

President. — The debate is closed. The vote will be taken at the next voting-time.

9. Creation of a Sakharov Prize

President. — The next item is the report by Mr Deniau, on behalf of the Political Affairs Committee, on the creation of a Sakharov Prize (Doc. A 2-137/85).

Mr Deniau (L), rapporteur. — (FR) Mr President, ladies and gentlemen, I should like to thank my colleagues here who have allowed me to speak on their behalf. I should like very quickly, on behalf of the Political Affairs Committee, to tell you how important we felt it was to institute a specifically European prize, bearing the name of Andrey Sakharov, as a tribute to the time-honoured quality of independence of mind.

We are in rather an unusual situation, since the European Community is one of the only examples in the world of progressive unification, with the full consent of its Members, which by definition precludes the supremacy of any Member over others.

A distinction of this kind, Mr President, ladies and gentlemen, brings with it a number of obligations. Our own particular duty is to be aware of the responsibility which we bear to the whole of society, and of the significance of what we do. We are elected by different voters under different systems, our political opinions do not always converge, but we have this much in common: we are here as a result of free elections. And that is the strength of the European Parliament, that is the strength of Europe!

I think that, in the world in which we live, discounting for a moment all ideological differences, the strength of an unarmed man who is free to say no, that is to say he is free to say yes or no, should be stressed since it is essence of the message we are trying to convey.

Why call the prize the 'Sakharov Prize'? We could have chosen the name of uncontroversial figures from ancient history, such as Sophocles, or even figures from rather more recent history. But I think that, had we done so, we would have been failing in our duty, which is to put across the role of Europe, and more particularly, the role of this Parliament. We could of course have chosen Erasmus or Montaigne — there are plenty of outstanding examples of independence of mind in European literature — but I think that we would have failed in our objective, which is to explain

Deniau

the significance of what we are doing and why we are here. If we boil it down to essentials, what does the name of Andrey Sakharov suggest to people in present-day society?

Mr President, it suggests a brilliant mind but, quite simply, a man who had all the distinctions, and therefore all the protection and material advantages to be had under a given system, and who decided to give them up, simply because he thought it was right to do so. I am not claiming that Sakharov is the most famous 'victim' — an excellent article in *Le Monde* pointed that out yesterday — but, if we wish to get our message across, he is the most famous man who, enjoying every possible material advantage and distinction, one day decided to give them up because his conscience told him to do so. I think that that sums up the European spirit, in other words independence of mind!

Mr President, precautions have to be taken when awarding a prize of this kind, and there are cases in which somewhat unfortunate decisions have been made. When discussing the matter, the Political Affairs Committee therefore made a point of taking precautions to ensure that the award of a prize bearing this name will in fact be a symbol of Europe.

One of these precautions is that the award will be made not to an individual, but to a work written on any of a number of specific, European subjects — which are listed in the report. Charity begins at home. I am of course referring to the whole of Europe and not simply to that part which is represented here.

A second precaution is the proposed two-thirds majority which is designed to avoid transient fashions, obsessions and freak decisions.

And there is a third precaution, which is that if the proposals of the Political Affairs Committee are adopted, the prize will be awarded by the President of the European Parliament, that is to say the person who presides over our debates, who will be able to have some say in the award, if he thinks fit.

Mr President, we sometimes have rather difficult tasks to perform. At times we complain that the public does not understand what the European Parliament is doing or why. I think, Mr President, that if this prize is awarded on the terms which I have outlined, with the precautions which I have mentioned, we will restore hope and also some significance to our efforts on behalf of people who are not represented here this evening. But we shall also give ourselves a sense of purpose. We need that for our own sake, in other words to remind ourselves that the ultimate purpose of all we do is to safeguard human dignity and independence of mind!

(Loud applause)

Mr Saby (S). — *(FR)* Mr President, the French Socialists will be among those voting in favour of the

institution by the European Parliament of a Sakharov Prize, to be awarded each year to a work on the subject of independence of mind.

This Parliament can be proud of its efforts on behalf of human rights. Although we do not often have sufficient impact, in some instances our influence is a determining factor. Governments are rarely completely impervious to our statements. We frequently adopt resolutions, it is true. But, in instituting this prize dedicated to human rights, we will show that we are capable of adopting a different approach in order to have a greater impact and be more effective.

It is proposed that we give this Prize the name of Sakharov. We second this proposal, and this does not imply any lack of awareness of, or concern for, other martyrs and other battles. We may soon decide — and why not — to institute a Nelson Mandela prize, in recognition of a publication on efforts to combat racism.

We must not draw a distinction between one struggle and another. For us Socialists, the battle for human rights is a single, indivisible one. Andrey Sakharov is a universally recognized symbol of oppressed intelligence. His fate highlights the incongruity of government repression coupled with the statements of intent in favour of humanitarian cooperation such as those made in Helsinki.

We will vote in favour of the motion proposed today and, as members of the Committee, we also second the choice of the first winner of the European Parliament's Sakharov Prize.

Mr Habsburg (PPE). — *(DE)* Mr President, I would like to state quite frankly that I was very sceptical when my friend Deniau first brought up the idea of a Sakharov Prize. Since then I have changed by mind because I believe that at this particular time it makes sense to have such a prize as an important moral gesture on the part of our Parliament.

We must not forget that nowadays Sakharov has become a symbol of integrity and courage for the world. As Mr Saby has said, Sakharov stands for many others. He is a symbol because he has dared to resist tyranny, to stand up for his principles and to accept the consequences of his actions.

But Sakharov is also important to us as a symbol of something else. He is a symbol of the fight against racial discrimination. We forget only too often that a major element in Andrei Sakharov's persecution is his being a Jew.

You only need to look at the Soviet press, where you will find repeated references to Sakharov-Zuckermann. This is to signal to the Russians that the man in question is a Jew. He is persecuted because he is a Jew.

Habsburg

This is something people forget again and again, but we should stress it because racialism in the Soviet Union is forgotten all too often.

Something else we should not forget is that we are living at a time when prizes are going through a crisis. Only this week we witnessed a particularly tragic development for the Nobel Peace Prize. This prize was awarded to a man who was involved in Sakharov's persecution at the outset, a man who offered his services to the tyrants and the secret police in denouncing Sakharov.

This man was honoured as part of a group, a man in a leading position, who has taken part in psychiatric persecution and torture. Unfortunately, we are now witnessing a great international prize, as the Nobel Prize was at one time, going through a real crisis.

Therefore, it is encouraging that our Parliament has, in direct response to the persecution of a person on account of his race and convictions, deliberately created a prize for those standing up for human rights, and it is pleasing to know that the overwhelming majority in this Parliament will say 'yes' to this Sakharov Prize.

I think it will be to our Parliament's great credit for it to choose this precise moment and name. We will, of course, support Mr Seefeld's amendment, but we reject the other amendments, because we think the report is excellent as it is.

(Applause)

Mr Verbeek (ARC). — (NL) Those who genuinely stand up and fight for human rights, those rare individuals who risk their own lives for the life and liberty of others, such people do not ask for a prize. They see their own actions simply as a duty, a duty which goes without saying. The only prize that is a cause for rejoicing is life and freedom for those deprived of their rights. A Sakharov prize, as desired by certain Groups in this Parliament, neither serves nor honours Sakharov's struggle. Indeed, Mr von Habsburg, I do not think you have even asked Mr Sakharov whether his name may be used for this purpose. Such a prize will namely exacerbate cold-war attitudes and the ideological struggle between East and West. If there must be a prize for human rights, this Parliament is not the best body qualified and entitled to award such an honour, since it should have been a lot more courageous and impartial itself in its advocacy of human rights. If such a prize is none the less desired, let it then be a truly general prize, with an impartial name and an independent jury. For if Parliament awards the prize itself, the result will constantly be at the mercy of the changing political make-up of this House. For all these reasons, the Rainbow Group will not support this proposal as it stands.

President. — The debate is closed. The vote will be taken at the next voting-time.

10. *Future of Unesco*

President. — The next item is the report by Mr Howell, on behalf of the Committee on Youth, Culture, Education, Information and Sport, on the future of Unesco (Doc. A 2-172/85).

Mr Howell (ED), rapporteur. — Mr President, my duty tonight, as rapporteur on the future of Unesco, is a difficult task in the light of recent events. The report was drawn up in the knowledge of the fact that the United States had withdrawn from Unesco in January 1985 and that the United Kingdom in late 1984 had announced its intention of following suit with effect from January 1986 unless certain changes in Unesco's policies were forthcoming. As the House will know, last week the Government of the United Kingdom announced its final decision to withdraw from Unesco.

The report was of necessity drawn up prior to that announcement. Therefore, many of the amendments now placed before the House simply seek factually to amend that report to meet that fact. In drawing up the report, I have drawn on considerable knowledge from my committee's secretariat, to whom I acknowledge my grateful thanks. In addition, I myself visited Unesco headquarters and held talks with many departmental heads and with Mr M'Bow, the Secretary-General.

Members need only to read my explanatory statement to recognize the considerable efforts that have been made to inform Members of the situation that Unesco now finds itself in. The report recalls Unesco's purpose as a contributor to peace and security in the world by promoting collaboration among the nations through education, science, culture and so on. We recall the mandate of Unesco set out in that wartime conference of Allied Ministers in London way back in 1945. We recall their aim to collaborate in the work of advancing the mutual knowledge and understanding of people through more communication. We recall that since 1945 Unesco membership has risen from 20 nations to the present number of 161.

We are conscious of the enormous extent of the work that Unesco performs and that a process of evolution must have occurred in that time since 1945 simply by dint of the fact that the membership of Unesco has moved from 20 to 161 nations, of very different cultures indeed.

Some change in Unesco's role was therefore inevitable. That we accept. However, my committee has mandated me to say that we are deeply concerned at the scale of controversy surrounding certain activities.

Howell

We recognize the validity of the criticisms of Western nations in recent years. We are particularly concerned about those efforts which apparently seek to legitimize State-controlled communications. We are increasingly concerned at the increasing levels of politicization within the organization. We are concerned, too, at the greater concentration of its administration in its headquarters in Paris and the apparent inability of Unesco to translate some of its studies into practical work in the field.

We therefore fully accept, and I am mandated to say this by the full vote of my committee, the criticisms levelled by the United States of America and the United Kingdom. We wish to see a useful and growing Unesco for the benefit of all mankind and, as a result, we demand in our report that the principle of the free flow of ideas by the media be totally upheld. We condemn those activities which have given rise to so much criticism and we call for a greater decentralization of Unesco's work.

We believe the future of Unesco can be made secure. We are concerned that activities and actions be undertaken by Unesco in order that the organization can live up to its high ideals set in 1945 before it is too late. I commend the report to you, and I hope most Members will feel fit to follow the lead that the committee has set.

Mr Fajardie (S). — *(FR)* Mr President, ladies and gentlemen, the threat to Unesco posed by the withdrawal of the United States of America, followed by that of the United Kingdom, recently announced by its government, prompts us all to ask ourselves some questions. Are we going to see the breakdown and disappearance of a unique centre for dialogue among different cultures, when — notwithstanding its weaknesses, but because of its universal purpose — there should be every reason for its existence and activities to continue.

The conclusions of the 23rd General Conference of Unesco, held in Sofia last month, showed that, notwithstanding the justified reservations and the reforms which are needed, some 150 States support the role and purposes of this organization. We are told that Unesco is declining to utter chaos. However, a hundred or so resolutions have none the less been adopted by consensus, evidence of what can be achieved where there is a will to negotiate and compromise.

Who could fail to support the ambitious aims of the General Conference, when it proposes to step up international cooperation, to give priority to a large-scale literacy programme, to provide introductory courses in data-processing techniques, and to work for the institution of a new world order in information and communications? Must we condemn everything in an organization which admittedly is not perfect, but

which has its merits and which affords scope for worldwide dialogue, both between East and West and between North and South? Or is it the very scale of the dialogue which is being questioned? I do not understand and I cannot accept the attitude of the United States, in making a cold and, all things considered, easy withdrawal, thus issuing a sort of challenge to the people of the Third World, nor that of the United Kingdom in adopting the same course, without apparently taking much account of the views of most of the Commonwealth countries. Who, after all, ladies and gentlemen, is sufficiently without sin to cast the first stone? Do we never have anything to reproach ourselves with? An attempt can be made to right the faults, without destroying the instrument, and that is what we propose should be done.

There is no doubt that the Secretariat and Council of Unesco have made up their minds to pay heed to the criticism and embark upon the structural reforms which are needed. It therefore seems advisable not to leave the field clear for the USSR, but to stand our ground and act as advisers, with a view to achieving a satisfactory outcome, which takes account of everyone's interests.

I hope that in this affair we can be instrumental in bringing about mutual understanding and reconciliation with a view to more equitable international relations, and thus help to promote a desire for peace, a respect for human rights and the self-determination of nations, and to foster tolerance, based on universal respect and dignity, in short to make all nations aware that they share a common destiny.

Ladies and gentlemen, on the threshold of the 21st century, this is a task which we all know to be difficult but which we cannot deny is both necessary and worthy. The European Parliament would be well advised not to spare either its support or its efforts in helping to achieve this task.

Mr Marck (PPE). — *(NL)* Mr President, allow me first to congratulate the rapporteur on his excellent report and also on his own impartiality and objectivity in what was for him an awkward situation.

The writing is on the wall when an international institution becomes the object of severe criticism and bitter dispute, even more so when influential members, and founder members at that, withdraw from this organization. On behalf of the EDP Group, I would first like to examine whether the motives that have led the governments of the United States of America and the United Kingdom to withdraw from Unesco are justified.

The first and most important argument concerns the policy pursued by Unesco: it is supposed to have been guided too much by one-sided political options unacceptable to the Western democracies. It is true that in

Marck

recent years Unesco has wandered off in peculiar directions and sometimes adopted extremely partisan decisions, on media policy for example. However, there are also indications pointing to a change of course towards a more balanced approach. The latest General Assembly in Sofia is a positive sign.

Our standpoint is quite clear: Unesco must be able to work within a spirit of tolerance and recognition of divergent political, religious, cultural and scientific values. It must therefore avoid taking on tasks that encourage a one-sided politicization in one or other direction. Accordingly, it must give priority to concrete tasks that can achieve a broad consensus and respond to fundamental needs, such as the fight against illiteracy, the improvement of communications infrastructure, the schooling of journalists and scientific advisers, the training of teachers and communications engineers, the restoration of historic monuments etc. There are hundreds of examples of efficient and useful work at world level. This is a much better way of meeting the needs of the common man than exacerbating the conflict between North and South or between East and West. Unesco must build bridges of tolerance and international understanding through respect for one another's religion, culture and values.

This also applies to media policy, where monopolies — both public and private — must be prevented. A State monopoly over the media is tantamount to censorship. It is astonishing to find just those countries with a State monopoly in the media trying to impose their will via Unesco on countries that offer a wide range of communications. If this rule is retained, I expect that other countries will leave Unesco, and I cannot blame them. However, things can be done differently, and this is proved by the success of the international programme for the development of the media, in which new facilities are being created for better communication structures in the developing countries. This is the path to follow.

Finally, Unesco's financial and administrative policy has also been the subject of severe criticism. Where abuses exist, they must be combated. Would it not be advisable for international institutions to establish a kind of international court of accounts with full independence and expertise to monitor and also publish the way in which funds are used? A change of course is needed soon. The latest indications may be viewed as positive.

Accordingly, the EPP Group considers that Unesco must be given a chance to provide the proof of its revival in the spirit of Sofia. Our trust is thus conditional, but with the fervent wish for confirmation. It is now up to Unesco.

Mrs Tove Nielsen (L). — (DA) Mr President, when one considers that the aims of Unesco include contributing to peace and security by promoting interna-

tional collaboration in education, science and culture, and thus playing a part in encouraging general respect for justice and the law, for human rights and the basic civil liberties, as is stated in the United Nations Charter, one ought to add that no distinction is made between the various peoples of the world, of whatever race, sex, language or religion. Has Unesco really lived up to that aim during the last few years? I put this question because I first really got to know Unesco myself when as Minister of Education, I took part in the 1974 Paris conference. I was bitterly disillusioned. I should mention in parentheses that it was also in 1974 that the present Director General was elected for his first seven-year term, and that he is now in his second seven-year term.

I realized that Unesco had moved a long way from its original purposes and become something completely different, that it simply wasn't concerned about the North-South dialogue or the East-West dialogue, that peace had become something entirely different from the concept Unesco had started out with in 1945. I also noticed that people had begun to do a great deal of politicizing. And that is exactly what has happened in the intervening years: it is becoming more and more typical of Unesco to abandon the purposes for which it was set up and to become more and more political.

That cannot be acceptable. I and the other members of the Liberal Group believe that it is right and proper and very gratifying that so many countries have joined Unesco since its inception. But there must be certain guidelines which we must all follow. We wish to keep Unesco going because we believe it is important that there should be a body concerned on a world-wide scale with education, science, culture etc. There is a great need for this — just take the widespread problem of illiteracy, for example. There is a real need for a body such as Unesco, and we would like to put things right. Therefore we in the Liberal Group say: Unesco must put its house in order — for it is not in order at present, and that's why such violent criticism has been directed at it during the last few years. What sort of a state of affairs is it when the headquarters in Paris uses up approximately 80% of the biennial budget on staff administration, leaving a mere 20% for the many important and vital tasks it should be performing throughout the world? It is a fundamentally deplorable situation that Unesco has got itself into. It must be put right, and therefore we must listen seriously to the criticisms raised by the countries that are withdrawing and by a number which prefer to stay within the organization. Countries can either withdraw in anger over what has happened, this may be understandable, or may choose to remain within Unesco and try to influence the administration from within. Many countries have opted for the latter course, including the majority of the EC Member States and other Western countries. We think this is a good thing, but after so many years of criticism, we must realize that things are serious. The time has come to change tack and realize that we must cut down on

Tove Nielsen

administration, that we cannot spend so much money on the Unesco bureaucracy in Paris, since that has never been the purpose of Unesco. What can one do in the way of education, science and culture throughout the world with a paltry 20% of the biennial budget? Are there not many major jobs to be done? Let us cut out the politicizing and instead embark upon the work which was the aim of Unesco. Let us get a better administration, let us fulfil the tasks we set out to accomplish in 1945. Then Unesco will perform a useful function, which it does not at the moment.

Mr Kuijpers (ARC). — (NL) Ladies and gentlemen, a discussion on the future of Unesco is interesting in its own right, and the withdrawal of the United States and the United Kingdom has, in the end accelerated this discussion. Mr Howell, as rapporteur, has given an excellent outline of the problems of Unesco policy in recent years. Yet the discussion of the future of Unesco is merely part of a broader debate. A report needs to be drawn up as soon as possible on the functioning of the United Nations in general. After the failure of the League of Nations in the period between the two World Wars, and after the terrible experience of the Second World War, it was rightly decided to establish a new international organization. From the beginning, the United Nations had a three-fold aim: to preserve peace, to support the development of the Third World in particular and to provide a forum for all the countries in the world in order to steer differing political approaches in the right direction.

What has come of these objectives. To what extent has the UN succeeded in achieving them? Has the United Nations evolved with the times? Should the UN be reorganized and does it need to formulate new objectives and ways of working? These are the real questions in any discussion of international bodies such as the United Nations or Unesco. The European Community should lead the way in such a debate.

Bearing this in mind, Mr President, it is unacceptable that a certain political faction should be doing its utmost to undermine the UN and its subsidiary organizations. However, no one can deny that the American criticism is partly justified. The UN and Unesco have indeed become bureaucratic monsters, far removed from the people, and no one doubts that the Soviet Union is making skilful use of the forum provided by Unesco to push through certain positions.

Yet the crisis goes much further than that. In fact, the West has been unable to come to terms with the fundamental change in the composition of Unesco and to accept its method of decision-making: one State, one vote, which tends to put the West in a minority. Moreover, the accusation that Unesco tackles subjects that are too politicized cuts no ice. Political debates have always taken place in Unesco, for example on the war in Korea, the withdrawal of South Africa in 1956 and the Israeli crisis in 1974. The US then actively assisted in what it now regards as an aberration.

Actually, the problem frustrating the West is the North-South divide coming on top of the opposition between East and West. However, these major conflicts are illustrative of the undeniable decline of the UN organizations as a whole. The European Community must do more than simply note this fact. The Community, and first and foremost the European Parliament, should give some thought to the future functioning of the UN. As the Community, we can formulate an original and constructive contribution towards new methods of working and towards a world parliament.

Mr Pordea (DR). — (FR) Mr President, throughout the ages, nations and powerful groups have attempted, by diplomacy, to establish a framework for international life, to influence political processes and, accordingly, to institute regional and then world systems through which to assert their ideas and set their objectives.

However, never does a system of this kind appear to have deviated so markedly and deliberately from the basic principles of civilization than the United Nations system has done in the past few decades, so that it has now become the prime example of a force for disinformation, subversion, destabilization and destruction.

Being its sub-product, the United Nations Educational, Scientific and Cultural Organization has become an important cog in the overall wheel. That is why I shall begin by welcoming, on behalf of my Group, the withdrawal by the United Kingdom from its membership, which comes at a most opportune moment after the withdrawal of the United States. This was and is an instance of democratic countries breaking free from the insidious grasp of an organization which, by abandoning its true purpose and awe-inspiring responsibilities, has shattered the hopes which were raised when it was set up in 1945.

I will not go into the bad financial management of Unesco or the apparently chaotic state of its various fields of action, not to mention the excessive centralization of activities, in which priorities which are frequently the reverse of what common sense would dictate. I shall not talk about the Director General of the organization, but the organization itself, as such, is responsible for the policies and courses of action which it adopts, which are dictated by communist countries.

Unesco has allowed its administration and its activities to become unilaterally politicized, showing a deplorable lack of impartiality and balance.

In every respect, it has deviated from the terms of reference, objectives and ideals set out in its charter and, more particularly, the elementary principles underlying workable international relations. The aim of international understanding has been promoted in a

Pordea

climate which is actually soured by intolerance, with a view to a kind of 'peace' — which has all too frequently been talked about and used as an excuse — in which humanity has been stifled, and nations have been reduced to subservience.

There is talk of controversy and discord. The principle of geographical balance or the distribution of the budgetary contribution are held up as excuses. The need for some reforms is instantly admitted. All this sidesteps the central issue. Unesco's unpardonable crime, ladies and gentlemen, is that it systematically flies in the face of international morality, justice and law, in order to justify an organized disregard for human rights and fundamental liberties, so as to impose the views and objectives of the totalitarian states. For Unesco simply to get rid of its senior officials is totally unacceptable. It is too late for it to reform its organization. Its few useful sectors of activity will, if need be, have to be incorporated in an unreformed organization . . .

(The President urged the speaker to conclude)

Having deliberately opted for darkness rather than light, Unesco has damned itself. On behalf of the Group of the European Right, I therefore urge Parliament to take a firm stand against the iconoclasm of Unesco and to propose to the Governments of the Community Member States that, in this respect, they follow the good example set by the United States and the United Kingdom.

Mr Elliott (S). — Mr President, after that fairy story, I now want to get down to a few facts. I do not think Mr Howell is here, but I wanted to sympathize with him. He has produced a quite reasonable report, much of which I could agree with with certain reservations. But I sympathize with his embarrassment. He has been overtaken by events, and his own party in government in the United Kingdom has taken a peremptory attitude and decided to withdraw straight away from Unesco. I understand that this embarrasses him, cuts the ground from under his feet and largely demolishes the value of his report. It is very sad that this is so.

Obviously, there are some valid criticisms of Unesco's operation and administration, but many of the reforms agreed upon at the Sofia Conference have overcome these difficulties, and the gross over-reaction of the American Government and of the British Government in following them — in withdrawing from Unesco is totally unjustified. It is rather like someone who, because he has a blister on his big toe, decides to cut off his foot to cure it. It is a totally unjustified situation. The British Government, in attempting to justify its position, has written to British Members of the European Parliament, and it is suggested in that document that it will, as an alternative to funding Unesco, provide funds for similar worthy activities, in the Third World in particular, through the British Coun-

cil. One might have some confidence in that if it had not been for the fact that the British Government has been cutting the money it makes available to the British Council for the past five or six years. Now it suddenly sees the British Council as something valuable after having undermined its role for so long. So I have no confidence in that either.

The fact of the matter is that the debate which took place in the British House of Commons on 22 November on the question of British withdrawal from Unesco revealed a number of extremely interesting aspects. The government, of course, completely ignored it, for it had already made up its mind and adopted rather the policy once ascribed to Henry Ford: 'I have made up my mind on this. Don't try and confuse me with the facts'. I will quote from a speech made in the House of Commons on 22 November, not by some left-wing extremist of Conservative demonography, but by Mr Edward Heath, former Conservative Prime Minister of Britain. He said:

The debate gives me the opportunity to say that if the Government persist in their notice of withdrawal from Unesco, they will be making a grave error that will have dangerous consequences. The decision will be one that many people inside the House and millions outside will inevitably regret.

How true! He went on to say that at the end of the 1970s the United States pulled out of the International Labour Organization, but later had to go back because its own interests were being damaged. He referred to the fact that every member of the British Commonwealth has urged Britain to stay in. Yet, of course, they have been ignored.

He referred to the fact that our colleagues in the European Community wanted Britain to stay in. They were ignored as well. Now the truth of the matter is a little more serious, and it applies, of course, to the United States' earlier withdrawal. The United States' permanent delegate spilled the beans on this issue when he said:

If all the management, personnel and budgetary reforms were agreed to, if Unesco suddenly became the perfect model of administrative efficiency, management effectiveness and staff productivity, that would still not be enough.

The truth is that the United States' withdrawal and the supine acquiescence in that withdrawal by the British Government, who seems to want to bully everybody else but crawls to every whim of the Reagan administration, had nothing to do with reform at all. Nothing to do with reform but much more to do with a right-wing plot instigated by extremist right-wing organizations based in the United States to try and get the United States and other Western nations to withdraw totally from United Nations activity. That has been revealed by the Unesco delegate from Australia, Gough Whitlam. I am sorry for Mr Howell. I hope

Elliott

that the amendments to the report tabled by Mr McMahon and others will be adopted, because they will help make it into something of some value after all.

Mrs Seibel-Emmerling (S). — (DE) Mr President, there are apparently some differences in the translation of paragraph 10 of the report, and this could really complicate the voting on an amendment. I should be grateful if by early tomorrow we could be informed as to whether paragraph 10 refers to Unesco's position *vis-à-vis* the United Nations or to the United Nations as a whole.

President. — That point will be taken tomorrow when it is time to vote on the report.

Mr Howell (ED), rapporteur. — A point of order, Mr President. I think that at the beginning of Mr Elliott's speech he thought I was not in the Chamber. Can I just tell him that I was and that I listened to every word he said?

President. — We shall adjourn the debate because of the time. It will be continued tomorrow morning.

*(The sitting was closed at 12 midnight)*¹

¹ *Agenda for next sitting: see Minutes.*

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IN THE CHAIR: MR ALBER

Vice-President

(The sitting opened at 9 a.m.)

Mr Cassidy (ED). — Mr President, there was a report in yesterday's *London Times* that Mr Mikhail Gor-

bachev was to be invited to visit the European Parliament. The invitation was to be issued by the Socialist Group.

Of course, I have no means of knowing whether the report in yesterday's *Times* was accurate, but I have always thought that invitations to visit this Parliament were extended by the presidency.

Would you please, Mr Vice-President, ensure that no invitations to Mr Gorbachev are issued by anyone

Cassidy

other than the President of this Parliament and that if Mr Gorbachev does have an invitation to come here, he should come prepared to discuss the question of human rights in the Soviet Union, particularly in relation to the Jewish population. Over 200 Members of this Assembly have signed a motion calling attention to the plight of Jewish people in the Soviet Union.

President. — Mr Cassidy, I know nothing of this invitation. This question has not yet occurred on the agenda of the Bureau. But you are right: if there is an invitation, it must come from the Bureau.

Mrs Van den Heuvel (S). — (NL) Mr President, I should just like to take up what Mr Cassidy has said. One thing is certain: so far we have been unable to have discussions with government leaders. I have always opposed the extension of invitations to government leaders because we cannot have discussions with them. I therefore assume that, if Mr Gorbachev is invited, it will be on the same terms as have always been advocated by others in this Parliament.

President. — Thank you very much. We take note of that.¹

1. *Votes*

Report, without debate, by Mrs Weber, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the proposal from the Commission to the Council (COM(85) 354 final — Doc. C 2-66/85) for a decision amending Decision 82/887/EEC adopting a concerted action project for the EEC in the field of shore-based marine navigation aid systems (Doc. A 2-174/85): adopted

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Report, without debate, by Mr Klinkenborg, on behalf of the Committee on Transport, on the proposal from the Commission to the Council (Doc. C 2-111/85 — COM(85) 519 final) for a regulation amending Regulation (EEC) No 3164/76 on the Community quota for the carriage of goods by road between Member States (Doc. A 2-186/85): adopted

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Report, without debate, by Mr Patterson, on behalf of the Committee on Economic and Monetary Affairs and Industrial Policy, on the proposal from the Commission to the Council (COM(85) 436 final

Doc. C 2-90/85) for a directive amending Directive 83/643/EEC on the facilitation of physical inspections and administrative formalities in respect of the carriage of goods between Member States (Doc. A 2-181/85): adopted

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Motion for a resolution by Mr Provan, on behalf of the European Democratic Group, with request for an early vote pursuant to Rule 42(5) of the Rules of Procedure, to wind up the debate on oral question Doc. B 2-1184/85 on the disposal of agricultural stocks (Doc. B 2-1280/85): adopted

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Motion for a resolution by Mr Roelants du Vivier and others, with request for an early vote pursuant to Rule 42(5) of the Rules of Procedure, to wind up the debate on oral question Doc. B 2-1184/85/rev. on the disposal of agricultural stocks (Doc. B 2-1281/85/rev): adopted

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Motion for a resolution by Mr Woltjer and others, on behalf of the Socialist Group, with request for an early vote pursuant to Rule 42(5) of the Rules of Procedure, to wind up the debate on oral question Doc. B 2-1184/85 on the disposal of agricultural stocks (Doc. B 2-1282/85): adopted

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Motion for a resolution by Mr Bocklet and others, on behalf of the Group of the European People's Party, with request for an early vote pursuant to Rule 42(5) of the Rules of Procedure, to wind up the debate on oral question Doc. B 2-1265/85 on measures to promote butter sales and reduce the butter mountain (Doc. B 2-1339/85): adopted

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Motion for a resolution by Mr Elles, with request for an early vote pursuant to Rule 42(5) of the Rules of

¹ For items relating to approval of the Minutes, petitions, transfer of appropriations, procedure without report, and documents received, see the Minutes of Proceedings of this sitting.

President

Procedure, to wind up the debate on oral question Doc. B 2-1266/85 on the market in beef and veal (Doc. B 2-1340/85): *adopted*

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Report by Mr De Pasquale, on behalf of the Committee on Regional Policy and Regional Planning, on the results of the conciliation procedure with the Council on the proposal from the Commission for a regulation instituting integrated Mediterranean programmes (Doc. C 2-60/85) (Doc. A 2-166/85): *adopted*¹

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Interim report by Dame Shelagh Roberts, on behalf of the Committee on External Economic Relations, on protectionism in EEC-United States trade relations (Doc. A 2-149/85)

Explanations of vote

Dame Shelagh Roberts (ED), *rapporteur*. — Mr President, I can be very brief. I thank the House because the wrecking amendments were rejected and the House has broadly followed the directions advised in my report. I find some of the more recent decisions on the economic side a little puzzling. Part of paragraph 15 which is being deleted was drafted by me taking into account the advice of the Committee on Economic and Monetary Affairs and Industrial Policy, so I rather regret that that paragraph has gone. However, in the main, I think it is a very satisfactory outcome and I support the motion.

Mr Alavanos (COM), *in writing*. — (GR) While the proposed resolution embodies certain interesting features in relation to trade practices by the USA, its general orientation towards the liberalisation of trade within the GATT framework ignores the problems of the less well developed countries in the Community, namely the developmental and social side of the problem. For example, in the agricultural sector it is not taken into account that the average farmer in the USA holds over 100 hectares, in the EEC 18 hectares, and in Greece 3.5 hectares.

We must express our opposition to paragraphs 10 and 11 of the resolution, which propose the complete 'liberalisation' of trade in agricultural products between the USA and the EEC, as called for by the large multinationals.

¹ The rapporteur spoke *in favour* of Amendments Nos 1/ corr. and 2.

We must not forget that even under the GATT rules export subsidies are permitted for agricultural products. We must combat Reagan's 'aggressive policy', which aims to conquer the EEC markets by American agricultural products, and force out products from mainly small to medium producers. The same is happening to the markets of third countries (Egypt, Mediterranean countries, ACP countries, etc.)

We consider that the EEC's bodies are giving way increasingly to Reagan's pressures; the potentials that the CAP can offer to small and medium producers are being restricted and are deteriorating, since a basic provision of the CAP to emerge from the review of the Green Paper is the restriction of interventions, their restriction on a quota basis.

According to the Pranchère report, the burden to be borne by small to medium farmers as a result of the EEC's concessions to the USA, in relation to the application of Community preference, is estimated at 3-4 billion ECU per year. For example, according to figures from the World Congress on sultanas in 1985, Reagan is subsidizing exports of sultanas to the EEC.

There are of course many similar problems in other sectors of the USA/EEC relations. For these reasons the Members of the Greek Communist Party will not vote for the report by the Committee on External Economic Relations.

(Parliament adopted the resolution)¹

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Report by Mr Deniau, on behalf of the Political Affairs Committee, on the creation of a Sakharov prize (Doc. A 2-137/85)

Explanations of vote

Mr Nordmann (L). — (FR) Thank you, Mr President. I shall be very brief. I should like to say how happy I am at the successful completion of an initiative which is symbolic in more senses than one. First, in its appellation, with all that the name Andrei Sakharov stands for; symbolic also in that it emanates from one of the Common Market negotiators and from the creation of a European Economic Community and that this in 'Human Rights' dimension is inseparable, for us, from economic understanding. And, at a time when European identity is the subject of doubts and questions, there is in this meeting a sort of signal

¹ The rapporteur spoke *in favour* of Amendments Nos 3, 6, 16, 23 to 29, 32, 33, 39 and 40, and *against* Amendments Nos 1, 2, 4, 5, 7 (second part) to 14, 17, 18, 20/rev., 21/rev., 30, 31, 34, 35, 41, 43 to 46 and 48 to 50.

Nordmann

which in my opinion Parliament is putting out once again.

Mr Verbeek (ARC). — (NL) This is not a routine vote. We are not talking about buffalo meat here. I will tell you why the Rainbow GRAEL Group is opposed to the introduction of a prize bearing this name.

Those who stand up and fight for human rights do not ask for prizes: they feel a duty to act as they do and take it for granted. The only prize that brings joy is life and liberation from injustice itself. A Sakharov prize, as has been proposed by certain groups in this Parliament, would not help or honour Sakharov. He has probably not even been asked to approve the use of his name by Parliament. This prize would therefore aggravate the cold war and the ideological conflict between East and West. If there has to be a prize for human rights, this Parliament is not best qualified to award it. To qualify for that role, it should have been a great deal more courageous and impartial in committing itself to the cause of human rights in the past.

If the majority want this prize, I hope that the regulation which will then have to be drawn up will provide for an independent jury to decide who the recipients should be. Otherwise, its award will simply depend on more or less chance political circumstances and majorities in this Parliament.

(Applause from the left)

Mr Marck (PPE). — (NL) Mr President, may I ask if it is standard practice for a Member to repeat a speech he made yesterday evening?

President. — You are right. The question of explanations of vote must in any case be considered in connection with the Rules of Procedure.

Mr Sakellariou (S). — (DE) I shall be voting against this report and against the institution of this prize. In every discussion of matters of human rights — whether these rights are violated in the East or in the West — I have always championed the view that these rights should be protected. I very much regret that Sakharov's fight for freedom and for his rights as a human being should be misused in this way by those on the right. I question this Parliament's right to award a prize — particularly a prize for human rights — when the award results from parliamentary majorities. That is unprecedented. Thirdly, I consider that if we are to award a Sakharov prize, we should also think of awarding an Allende prize and similar prizes for all those who have had to suffer in the West from violations of human rights, aggressions and maltreatment.

Mr Filinis (COM), in writing. — (GR) Human rights must be respected all over the world, as much in the West as in the East, and any violation, wherever it takes place, must be condemned.

However, the proposal to establish a Sakharov prize is clearly being used provocatively and unilaterally, as a publicity stunt to divert attention from other very important violations of human rights and horrendous crimes.

I will therefore vote against the Deniau report.

(Parliament adopted the resolution)¹

Mr Verbeek (ARC). — (NL) Mr President, Mr Marck's comment about me was superfluous and incorrect. In the first place, the Rules of Procedure do not forbid anyone to say in his explanation of vote what he said during the debate. I did not in any case do this. Unlike yesterday evening, I have just made various requests with regard to the eventual drafting of a regulation. But the important point here is this: Parliament evidently finds it appropriate to discuss so dubious a prize at 11.30 in the evening, when only a handful of Members are present in the Chamber. None of them heard what this debate . . .

President. — Mr Verbeek, what Mr Marck said showed that he had been listening to you on both occasions.

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Report, without debate, by Mrs Squarcialupi, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the recommendation from the Commission to the Council (COM (85) 520 final — Doc. 2-104/85) for a decision authorizing the Commission to approve, on behalf of the Community, programmes and measures under the Convention for the Prevention of Marine Pollution from Land-based Sources (Paris Convention) (Doc. A 2-175/85): adopted

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Proposal from the Commission to the Council (Doc. C 2-122/85 — COM (85) 592 final) for a regulation amending Regulation (EEC) No 2908/83 on a common measure for restructuring, modernizing and developing the fishing industry and for developing aquaculture

¹ The rapporteur spoke *in favour* of Amendment No 9 and *against* Amendments Nos 1 to 8.
For the item relating to the agenda, see Minutes.

Mr Natali, Vice-President of the Commission. — (IT) I should like to indicate here the Commission's views on the two amendments tabled by Mr Guermeur. The first amendment seeks to have included in the actions provided for in this regulation measures to promote the consumption of fish. We are fully aware of the importance of these measures. However, they cannot be embodied in the regulation that we are extending, which does not, in fact, at present include measures of this kind. Nevertheless, I should like to assure Mr Guermeur that this problem will be studied and that the Commission will advert to it in the proposals that it will have to submit next year.

With regard to the second amendment which seeks to extend the applicability of the regulation to fishing vessels of over 33 metres in length, I should like it to be borne in mind that what we are talking about is the prolongation for one year only of the actions being carried out at present. To extend the scope of these actions would entail a considerable financial burden that we have not provided for, with the result that we would have to cut back on our actions in favour of other categories within the fishing fleet, particularly the small-scale non-industrial fishing vessel. For these reasons we are against the amendment.

Mr Guermeur (RDE), rapporteur for the Committee on Agriculture, Fisheries and Food. — (FR) I should like, if I may, to take a few moments to tell Mr Natali that I understand perfectly well that, in the case of an extension, we cannot introduce these amendments into the text, but I am very seriously asking the Commission, having met with the appropriate people in the profession and having discussed the matter with the people in the Committee on Agriculture, Fisheries and Food, that the whole of 1986 can be profitably used to ensure, from 1 January 1987, that the two points I have mentioned are introduced into the regulation for 1987, with the necessary appropriations since there is naturally no question of robbing Peter to pay Paul, that is to say of taking from small-scale fishing to promote industrial fishing.

(Parliament approved the Commission proposal as amended)

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Proposal from the Commission to the Council (Doc. C 2-123/85 — COM(85) 609 final) for a regulation on a system of structural aid for the conversion of sardine-canning plants

Mr Natali, Vice-President of the Commission. — (IT) Mr President, I must explain clearly the Commission's position on Amendment No 1 by Mr Battersby and Amendment No 2 by Mr Guermeur. We are opposed to Mr Guermeur's amendment because it

wishes to permit the Community's canning industries to increase production of tinned sardines. The present situation does not justify encouraging increased production, since the enlarged Community will be thoroughly self-sufficient in this sector. There would be a danger that the tinned sardine market would become even more difficult. We are inclined instead to encourage the production of new products. That is why we are opposed to Mr Guermeur's amendment.

With regard to Mr Battersby's Amendment No 1, which seeks to include tinned sardines under food aid, I would request the honourable Member to withdraw it, since tinned sardines are already on the list of products that may be used as food aid. The amendment is therefore superfluous.

Mr Guermeur (RDE), rapporteur for the Committee on Agriculture, Fisheries and Food. — (FR) This is a matter of interpretation for the Commission. The amendment has nothing at all to do with getting an increase in production, but merely a more flexible application, so as to permit concentrations of undertakings and the restructuring of production groups and also to make it possible for a unit, where appropriate, to increase its production when others are cutting back.

My complaint about the regulation submitted to us is its rigid and narrow character, and the sole object of my amendment is to request a greater flexibility.

(Parliament approved the Commission proposal as amended)

2. Future of Unesco (contd)

President. — The next item is a continuation of the debate on the report by Mr Howell, on behalf of the Committee on Youth, Culture, Education, Information and Sport, on the future of Unesco (Doc. A 2-172/85).¹

Mr Hahn (PPE). — (DE) Mr President, ladies and gentlemen, last night, at exactly 12 midnight, we broke off an extremely lively debate on the situation of Unesco, in the course of which representatives of widely varying groups, including the Socialist Group, congratulated the rapporteur on his well-balanced, informative and extremely objective report. I should like to repeat these congratulations now once more, although the rapporteur himself, for urgent reasons, has been unable to be in our midst this morning.

We are all concerned about the future of Unesco, and I believe we all want to see it continuing to exist, but it is in the midst of a profound crisis, the outward sign of

¹ See Verbatim report of proceedings of 12. 12. 1985.

Hahn

which is the departure of the United States, which contributed 25% of Unesco's budget, and recently that of Great Britain, which contributed 5% of its budget. That is, of course, an extremely serious sign, but not the real reason. The departure of these two countries — and other states are reported to be considering following their example — is the consequence of a much more profound crisis within Unesco — the fact that it has deviated too far from its proper function, which is to promote large-scale cooperation between North and South, to promote cultural policy between East and West and in particular to promote education in the developing countries and to protect the world's cultural heritage. This cooperation has tended more and more to turn into a confrontation. The original dialogue has progressively dwindled, and it has become apparent that the desire for reform is wanting and that for a long time now there has even been opposition to reform. Finally, this has prompted the USA and the United Kingdom and also other Western countries to say that they are no longer prepared to accept and that reforms must be carried out.

Only now has a new general conference of Unesco been held in Sofia which has adopted another tone inasmuch as on that occasion, for the first time, the spirit of cooperation reappeared on the scene. We must, however, make it quite plain that this would not have come about if the United States had not left the organization and if this conference has not been overshadowed by the threat of departure by the United Kingdom. As things were, Sofia saw the first signs of a changed situation within Unesco. The budget was frozen, and that means that the 25% contributed by the USA were not taken over by other countries. A proposal was made to concentrate the work being done, but unfortunately, not thoroughly enough, particularly as regards the administration. It is absolutely unjustifiable that the administration should consume most of the organization's income. The situation that had arisen through the arbitrary powers exercised by the Secretary-General was also not put right. The most that has been achieved is only a beginning.

I should like to say, as clearly as I can, that we want Unesco to continue in existence. Such a forum for dialogue between North and South, between East and West, is necessary, but it is our unambiguous demand that this reform be really carried out. We are aware of the great achievements brought about by Unesco. I think of the preservation of Abu Simbel, of which a great deal was made, and of many other possibilities that have been exploited to protect our cultural heritage. I think of the campaign to fight illiteracy and of the proposals relating to professional training. It is impossible to enumerate everything.

Our demand is that Unesco should carry out without delay the reforms begun in Sofia. We hope that this will one day enable the USA and Great Britain to rejoin the organization, but in any case we insist on

our demand that these reforms be carried out without any ambiguity. This pressure on Unesco must be continued.

Mr Marshall (ED). — Mr President, may I first of all congratulate Mrs Nielsen, the spokesman of the Liberal Group, on her penetrating analysis of the weaknesses of Unesco. As she said, Unesco has moved far from its objectives, and 80% of its budget is spent on administration.

The decision by the British Government to withdraw from Unesco was not taken in a fit of peremptory pique but was, in fact, carefully considered. The first warning that the United Kingdom might have to withdraw from Unesco was given on 2 April 1984. Unesco was given over 18 months to mend its ways and failed to do so. The reason why the British Government has had to withdraw from Unesco is very simple. First of all, Unesco has unfortunate political views. It is, for example, anti-Israeli. It has criticized Israel and said that the reunification of Jerusalem affects the architectural heritage in east Jerusalem when, in fact, east Jerusalem is being redeveloped in a way that no one can object to.

Its media policy is quite wrong. It talks about the right of developing countries to exercise full sovereignty over information. That is a censorship charter. How would we have heard of the evils of Amin if he had been able to follow a policy such as that?

But the real complaint about Unesco is that it is inefficient and costly: 80% of its budget is spent on administration in Paris. Is it more important to educate students from the Third World or to pay high salaries to inefficient bureaucrats? The answer must be that we need to educate students in the Western philosophy rather than pay bureaucrats to live the high life in Paris.

What the British Government is doing is redirecting its subscription to Unesco to other more fruitful objects. The money will be spent educating students from the Third World. Is that not more important than spending money on bureaucrats in Paris? Is it not more important to allow students from the Third World to see Western civilization, Western culture at work than to have a few bureaucrats enjoying the fleshpots of Paris? We in this group put education and culture before such bureaucratic nonsense. That is why the British Government has had to withdraw from Unesco. It looks forward to Unesco reforming itself so that Britain and the United States can once again become members.

Mr Selva (PPE). — *(IT)* Mr President, there can be no question that the withdrawal of the United Kingdom and the United States from Unesco is not the cause but the effect of a crisis in which this United

Selva

Nations body finds itself, a crisis that can only be surmounted if Unesco reverts to the principles and objectives for which it was founded and from which it has drifted so far. These principles and objectives are laid down in Article 1 of its constitution, which states that its purpose is 'to contribute to peace and security by promoting collaboration amongst the nations through education, science and culture'. These and these alone are Unesco's proper spheres of activity.

Mr Howell's excellent and objective report details the laudable activity carried out by Unesco, particularly in its first two decades, but also outlines those projects and those positions which resulted in the withdrawal of the United Kingdom and the United States as well as in considerable unease in many Western countries.

The reasons for this crisis may be sought in the one-way politicization which has been gathering momentum over the past two decades. The years from 1965 onward saw Unesco taking certain lines that were almost always aimed at condemning the allegedly self-aggrandizing cultural policy of the Western countries and accusing them of exploitation, even though all the while it was from this very quarter that 60% of the funds came.

Amongst the more inglorious milestones in this downward slide, which was not untainted by a rather Soviet-style concept of pacifism, were the exclusion of Israel from the European region — even if it was later readmitted — and the resolution equipping Zionism with terrorism. Unesco's involvement in the so-called 'New World Information and Communication Order' was a particularly flagrant example of the contradiction between the principles of liberty which it proclaimed and the action that it proposed and subsequently took. Now, one can agree with the conclusion that the flow of information from and to the countries of the Third World is controlled by the major press agencies and other information media, such as television broadcasting, all of which are in the hands of the West. The remedy, however, is not to replace this system, which, whatever its faults, is founded on a pluralist approach and healthy professional rivalry, with information controlled by the State, which takes it upon itself to decide who amongst its people will be informed and how, why and when they will be given this information.

We want to make our contribution to overcoming the crisis in which Unesco is entrapped before other countries follow the example of the United Kingdom and the United States, which felt that they could see no signs of any improvement in the organization of Unesco, even in the most recent past. If there is to be any improvement, I believe that, broadly speaking, it will be necessary to move along three main fronts, foremost of which will be to restore sound financial management which would earmark the bulk of the resources for cultural and scientific projects and see to it that the bureaucracy was given the bare necessities.

It is exactly the opposite that is happening at present, and that is why Unesco's operations must be depoliticized.

Unesco is the kind of forum in which quarrels and confrontations do not have to be the order of the day. It should be doing precisely the opposite, that is to say, it should be carrying out projects that fulfil legitimate cultural, civil and human rights independently of race, religion, sex and even of political leanings. The universality, which is the main inspiration behind Unesco, must be made a reality by eliminating the conditions which enable one part of the world to impose its own cultural ideas and patterns on another part, and this is as true for East and West as it is for North and South. This must be the line of thinking behind any help that the European Community can give to this great organization to overcome the crisis that hangs over its future by clearly redefining its principles and objectives.

Mr Gerontopoulos (PPE). — (GR) Mr President, I would first like to congratulate Mr Howell on his report. As we know, Unesco was founded at the end of the second World War.

For its founders, the two wars which mankind had seen within one generation were largely due to misunderstanding between peoples, provoked by state control of information at national and international level.

Consequently, they considered that peace, international understanding, and the free exchange of information were all interlinked. Thus, according to its charter, one of Unesco's aims is to contribute to peace and security between nations, while it is specified that the organization should cooperate with all the mass media to promote mutual understanding between peoples, and should conclude international agreements for the promotion of a free exchange of ideas by word and picture.

Today, unfortunately, two of its founder-members, the United States and Great Britain, have withdrawn from the organization. The reasons they gave for their withdrawal were that Unesco had become excessively political, that it had developed into a movement of attacks against the West, and that the organization was subject to mismanagement. Mainly though, that the so-called new world order for information exchange, upon which Unesco has been working for years, will undermine and restrict the freedom of this very exchange.

I would like to emphasize the special importance of the planned control of the news, with the establishment of state intervention. As is known, freedom of information is regarded with serious misgivings by countries in the Third World, while the countries in Eastern Europe adopt the firm tactic of reacting against the embodiment of the principle of freedom of information in international law, and seek to impose controls on international information exchange.

Gerontopoulos

I believe that improved management of the organization, and acceptance of the specific proposals by the Western countries regarding its functioning, may eliminate the reasons that led to the withdrawal of two of its founding and most important members.

The point, however, on which there can be no compromise, is respect for the principle of freedom of information. Anything else would mean abandoning the very purpose for which Unesco was founded, and which must remain the cornerstone of its operation in the future.

Finally, I would like to stress — as Mr Howell himself says in his report — that the most important principle to be defended is abolition of any monopolistic control of the mass media, either by the state or by private interests.

(Applause from the centre).

Mr Ulburghs (NI). — *(NL)* Mr President, Unesco is an important forum for the exchange of moral and cultural values in this world, for a major dialogue between East and West, North and South. I therefore find it regrettable that, like the United States, the United Kingdom should consider it necessary to leave this important forum. The reason they give, and I sympathize to some extent, is that Unesco is not impartial but politically biased.

I should like to ask those present here if they know of an international forum that is not politically biased. The UN is controlled by the strongest nations. GATT, Unctad, NATO, the World Bank — are they all impartial bodies? No, they are governed by the law of the strongest. I am sorry Unesco is used for political motives, but I understand why.

To conclude, Mr President, I regret that the United States and United Kingdom have left Unesco, and I call on them from this Assembly to renew their membership. A serious evaluation should then be made in Unesco of its activities, including those at political level. I hope that art, science and communication among the peoples will be placed at the service of the general development of peace and freedom.

Mr Adamou (COM). — *(GR)* Mr President, in Article 1 of Unesco's Founding Charter, it is called upon to contribute to peace and security, by promoting cooperation between the nations through education, science and culture.

To begin with, Unesco numbered only 20 members, and its founder-members included only one African country and three Asian countries. Today it counts some 160 members, among which the so-called Third World countries are in the majority. And it is precisely here that we must look for the main reason why the

imperialists, first and foremost those in Washington, have risen against Unesco and are trying to dissolve it.

The changed proportion in favour of the peace-loving nations impedes the imperialistic circles from using Unesco for their own ends. There are numerous examples. The USA imposed resolutions in support of South Korea as a so-called victim of international communism, used Unesco in the persecution of intellectuals during the McCarthy era, stood out against the admission of the People's Republic of China for years, etc.

The USA could not tolerate the fact that Unesco opposed their schemes against the peoples of Asia, Africa and Latin America, and withdrew in 1983. Mrs Thatcher's British Government followed suit for the same reasons, and not for the trumped-up reasons we heard here from Mr Marshall.

There are of course defects in Unesco, both in its management structure and in its functioning as an organisation. However, all that can be overcome with everybody's help. Our duty is to help Unesco in its high mission, its aspiration to unite peoples and secure peace and cooperation between them; not to break it up.

President. — The debate is closed.

Explanations of vote

Mrs Seibel-Emmerling (S). — *(DE)* We shall be voting for this resolution, even though it will not be easy for us. It will not be easy because the original resolution pursued a positive aim — that of dissuading Great Britain from taking this unhappy decision and following the deplorable example of the United States. That has, unfortunately, not taken place, and to that extent the report is out of date. Naturally, there are disagreements within Unesco as there are in every large organization, and I can only give my wholehearted support to what Mr Ulburghs has just said. But this need never have led to such a scandal as the departure of the United States and Great Britain proved to be. How far have the policies of the United States and of Great Britain under Mrs Thatcher not diverged from the ideals of human rights and of the peaceful co-existence of peoples on this earth, from everything that led in 1945 to the setting up of organizations such as Unesco? We should like to see Unesco working well; we are aware of many things that are in need of improvement there, and we say so openly, but we do not want Unesco to be condemned on ideological grounds — and that is exactly what some here want.

We can, therefore, give the whole report our approval, but let us make it clear that it should not lead to a condemnation of Unesco: on the contrary, it should result

Seibel-Emmerling

in the United States and Great Britain coming back into the fold.

Mr McMahon (S). — I must oppose this report. It does not really take account of the new situation that has arisen. When Mr Howell, who is not here today, did all the work on it in committee, Britain had not made the decision to withdraw. Last week Britain, acting under orders from the White House, decided to withdraw from Unesco and was not prepared to listen to the arguments. The situation has changed, but the amendments tabled by our group have not been adopted. The situation is now extremely confusing, and I have no hesitation in rejecting this report.

It is a sad day for Britain, which helped to found Unesco. Between 1979 and 1983, Unesco spent 31 million pounds, in that four-year period alone, training 30 000 teachers in various countries in the world. It has set up libraries, promoted culture and literature and combated illiteracy all over the world. It is a sad day then when two of the major Western nations, because of the political chicanery of their two leaders, cannot see fit to remain members. It is a very sad day when we have a great deal of rhetoric about Europe and the cooperation of mankind and yet certain forces in this Parliament reject this type of activity. I have no hesitation in voting against this report.

Mr Sutra de Germa (S). — *(FR)* Mr President, ladies and gentlemen, when Unesco was founded just after the war, it was General De Gaulle who instructed the great pioneer Socialist leader, Leon Blum, head of the French delegation, to set it up.

France laboured for months to ensure that Unesco was an assembly of outstanding personalities and figures from the artistic and intellectual worlds. The Americans and the British demanded that Unesco be an interstate structure. They are today victims, therefore, of what they wished for in the matter of functioning.

There are two aspects to the present attacks against Unesco: first, management, but equally a personal attack against its director. I would point out that Mr M'Bow, director-general of Unesco, and a French academic, whose entire studies were pursued at the Sorbonne in Paris, was Senegal's Education Minister during the French presence, a post he quitted after Senegal's independence. One day he is called a Moslem, the next a Marxist. The critics should get their act together.

I have known this fine intellectual and this estimable man for a long time. As to management, I would simply point out that the American delegation's leader, under the Carter administration, declared that the reform which had just taken place at Unesco was to serve as an example for the reforms of other international organizations.

So, is the first African from Black Africa to have attained the post of director-general of a major world organization being charged with Third World leanings? Is it not his duty to be Third-World oriented? Is he not right to be Third-World oriented?

I shall not vote in favour of this resolution.

(Applause from the left)

Mr Bøgh (ARC), in writing. — *(DA)* The reasons why I have to vote against this report are, on the one hand, that the Community has (as yet?) no authority to concern itself with cultural policy and, on the other hand, that Mr Howell's approach seems to me to be one-sidedly western in its presentation of the controversies surrounding Unesco.

Parliament could have avoided making a fool of itself on this issue if it had recognized that this is a matter for Unesco and its members, which is absolutely none of the Community's business.

Mr Filinis (COM), in writing. — *(GR)* The withdrawal of the USA last year and Great Britain more recently, is certainly a blow to any — and I think they are many — who believe in Unesco's role in promoting education, science and culture all over the world. Both those countries are among the most important members of the international community, and their withdrawal directly affects the authority of the UNO and greatly reduces the prospects for communication between the three major groups of countries in the world.

We condemn those withdrawals. We believe in the world-wide principle, and consider that those countries should have supported, from within Unesco, whatever changes and corrections they considered necessary, on the basis of equal partnership and dialogue, instead of blackmailing or blowing up one of the most important organisations of the United Nations system.

The basic reasons put forward by the countries that have withdrawn are that Unesco has become politicized, and is mismanaged. However, there is a widespread impression that certain initiatives by the Third World countries, with Unesco support, for the creation of their own news agencies, in fact led to those withdrawals. The problem is exceptionally complex and here are many conflicting arguments. What is ultimately important, however, is to respect the freedom of information. And we fear that this aim is not served by the recent developments; on the contrary, we are moving further away from it so long as lack of communication and mistrust increase in the world.

Finally, I will vote against the report because a range of amendments were rejected, which represented the

Filinis

voice of moderation and facilitated a real solution to the problem.

Mr Tripodi (DR), in writing. — (IT) Culture is a symbol of the critical consciousness of society. It is through cultural processes that the world's peoples absorb those civilizing influences that enable them to attune their social structures to the yearnings of the human spirit. It is for this reason that we approved the spirit and the objectives of the Act establishing Unesco.

In recent years the machinery of Unesco has gone off course; what should have been a cementing element has become a divisive influence.

We do realize that universal culture is so many-sided that there can be no question of imposing on the whole world cultural patterns that have been developed in the West or a uniform code of behaviour. However, we cannot stand by and see the West being shouted down by Third or Fourth Worlds whose voices, though clear and ringing, do not carry the slightest vestige of the majestic authority with which history has clothed the Western world. Nor can we permit Unesco to do such an about turn from its original course that now, instead of promoting culture, it is using pseudo-cultural instruments for the purpose of applying political pressure.

Today Unesco's leadership is tainted by the manner in which its methods and purposes have been twisted to such an extent as to justify the withdrawal of the United States and now of the United Kingdom. We express our solidarity with the United Kingdom, the first Member State of the Community to turn its back on Unesco. Cicero's reproach to Catiline of 'Quousque tandem...' has now been given its answer by Unesco, an answer which impels us to brook no further delays.

Mr M'Bow cannot continue to spend two-thirds of his budget to maintain a bureaucratic caste or use the rest of it to make propaganda on issues far removed from culture and education. It is intolerable that Unesco should use the 64% that the West contributes to its upkeep to make war on Western culture, Western political interests and Western security. In order to try to counter that, we tabled an amendment in committee seeking to strike a better balance between quality and quantity within the organization. We propose therefore that instead of entrusting the interests of Western Member States to a representation of 'sufficiently high calibre', as the rapporteur says, such representation should be weighted in proportion to the contribution made by these States to world civilization and to the financing of Unesco. Unfortunately, our amendment was rejected. At this point nothing remains for the European Right but to invite the Western nations to take joint action to prepare the ground for following the example set by the United States and the United

Kingdom, setting up instead a new institution, free and independent, which will fill the gap left by Unesco's defection and make a more authentic contribution to culture, to peace and to the security of the nations.

These are the reasons why our group will vote against this report.

(Parliament adopted the resolution)¹

3. *Fishery problems in the light of enlargement: Enforcement of the Common Fisheries Policy*

President. — The next item is a joint debate on

- the report by Mr Guerneur, on behalf of the Committee on Agriculture, Fisheries and Food, on problems and prospects in the fisheries sector in the context of the enlargement of the Community (Doc. A 2-145/85); and
- the report by Lord O'Hagan, on behalf of the Committee on Legal Affairs and Citizens' Rights, on the enforcement of the Common Fisheries Policy (Doc. A 2-162/85).

Mr Guerneur (RDE), rapporteur. — (FR) Ladies and gentlemen, having to present in a matter of minutes a report on the implications of enlargement and on the conditions for success in the area of maritime fisheries is a daunting task. I shall however attempt to do so, on behalf of my committee, which I sincerely thank for its confidence.

The entry of Spain and Portugal will greatly change the European fisheries scene. We all knew, over the eight years of negotiations, that this issue would be the toughest. It was the last to be wrapped up before the general agreement to enlarge the Community.

What the negotiators had to do was nothing less than to transform the traditional, sometimes violent, competition between two antagonistic armadas into a friendly cooperation between the seamen of all Europe. In this they have succeeded. They deserve our congratulations.

From 1 January the number of fishermen in the Community will have doubled. The tonnage and fleet will have grown by 76%. The tonnage of fish landed will have increased from 4.7 to 6.3 million tonnes. This means keen competition for resources since there is a limit to the number of fish in Community waters; it

¹ Mrs Ewing, replacing the rapporteur, spoke *in favour* of Amendments Nos 2 to 5, 18, 20 and 26, and *against* Amendments Nos 6 to 12, 14 to 17, 19, 21 to 25 and 27 to 30.

Guermeur

means industrial competition, mistrust, but it also means, ladies and gentlemen, a new 50 million fish consumer market, a new fisheries sphere in the world.

Enlargement is a challenge to European fisheries, it is true, but it is also an opportunity for fishermen. It was our Parliament's wish thoroughly to examine this challenge and to propose ways in which the opportunity might be seized. That is the object of the general report I have the honour to present. It will be the subject matter of eight special reports which the fisheries sub-committee will be presenting to you in the months ahead.

To get down to brass tacks right away, Mr President, we are convinced that the least bad of treaties can and must become in the fisheries domain the best of agreements. I say the least bad of treaties because it accommodates the just requests of the new members while meeting the legitimate fears of existing members. So, whatever rights have been acquired thus far will not be lost. Resources are protected. Markets are expanding. But what we must do right away is map out the route for the new convoy, and establish the two conditions for the success of enlargement.

The first is strict observance of the Treaty. It is imperative to control fisheries to prevent the over-exploitation of Community stocks.

My report, which is complementary to the excellent document from Lord O'Hagan, to whom I pay my respects, offers very specific solutions which require from the Council a political will, from the Member States a sense of responsibility and from the Commission a coordinated management. Maritime fraud and poaching must be eradicated for if the Community is unable to enforce the law, the fishermen will take the law into their own hands.

A second condition for success is an enlargement of the common fisheries policy. As I said, it will be the subject of forthcoming special reports from my colleagues. But, as of now, seven measures must be taken without delay.

First: the fish that Community waters cannot offer the Spanish fleet must be taken from third countries; the fishermen of the Ten should be encouraged to go longer distances. We need a diplomatic offensive by the Commission to intensify and generalize the excellent work done so far by DG XIV. There is a place to be had and a cooperative role to be filled where the Eastern and Far Eastern fleets are looting the waters of the developing countries.

The second measure consists in strengthening the common organization of the market by opening up new species of fish, by decentralizing management to benefit producer organizations, by adapting Community efforts to market realities, by guaranteeing

Community preference, by a policy of added value to fishery products and by adapting to consumer tastes.

The third measure would be to renew the structural policy to allow for more modern, safer and more productive vessels; this would involve a system of incentives and practical assistance that was rapid and decentralized and free from the bureaucratic hindrances in the Member States; an aquaculture drive, through financial and technical programming of research and development; and finally, an openly competitive industrial infrastructure on sea product world markets.

Fourth, a trade policy, in which complex joint investment operations would be undertaken with third countries to produce, process and distribute sea products, in which markets would be sought for products processed in Europe instead of limiting fishing vessel production. In short, by turning a retreat into an offensive you are creating activity and employment for fishermen.

Fifth: protection of the sea from pollution. This our Parliament takes very seriously, and I need not dwell on the matter.

Sixth: the development and application of a fisheries social policy. For nearly 30 years we have been faced with this challenge in the Treaty of Rome. It is high time it became effective. This means that Articles 117 and 118 must be observed and that social equalization be effected from the top. Solidarity must operate to the benefit of seamen and also among the fishermen of the twelve Member States. It should no longer be necessary to plead for safety at sea. Vocational training must be seen as an investment. Income guarantee is today a social obligation.

Seventh: steering Community diplomacy towards a coordination of national fishery policies in the Mediterranean. This will be the subject of the report entrusted to my friend, Mr Stavrou.

In conclusion, Mr President, on 1 January 1986 the Spanish and Portuguese will be with us in the same boat. A sense of common interest will then be our guarantor that the treaty of enlargement can be a factor of progress for the fishermen, and with them, for the entire population of our maritime peripheral regions.

If discipline and respect for Community law are backed by active solidarity from the Member States and by a commitment from those whose business is fishing, then the common fisheries policy will no longer be a rearguard action for a declining occupation, but a European offensive to win on the oceans the economic battle.

(Applause)

Lord O'Hagan (ED), rapporteur. — Mr President, without the common fisheries policy the seas of the Community would be as empty as this Chamber, and the common fisheries policy itself will only work if there is proper enforcement. I ask the Commission to commit the Community's institutions today to implementing my report and that of Mr Guermeur. The two are complementary. His looks to the medium and long term, and mine is for the short term. I would like to thank him for his cooperation, and I would like to thank the staff of the Committee on Legal Affairs and Citizens' Rights for helping me to prepare my report.

Mr President, at this time of the week and at this moment in the year, brevity is the best that any rapporteur can provide this Chamber. I wish only to say that these two reports are far more constructive than a lot of what we have done this week in this Parliament. We need to ensure that accession of new Member States does not undermine the most important new policy that the Commission and the Community have developed in recent months and years.

I regret deeply that Mr Bender and his colleagues in the Commission, on the inspectorate side, have not seen fit to cooperate with parliamentarians who wish to support their work and extend their powers and influence. The two institutions must work in harmony to make the Council take the decisions that are necessary if the common fisheries policy is to sustain its momentum when enlargement to the Iberian peninsula has taken place.

Mr President, the Community will only maintain respect in the eyes of the public if its regulations and directives are fairly and universally enforced throughout the Community. These two reports provide the Commission with an incentive to make the common fisheries policy work better and more thoroughly and to ensure the respect of fishermen and the citizens of the Member States together for its activities.

Let us wish the Commission, along with you, Mr President, and your colleagues, a Happy Christmas, and let us hope that the Spanish fishermen, when they are working within the Community in the New Year, will enjoy a law-abiding and constructive part within the fisheries organization of the Community. From now on, let the Commission regard this Parliament as its best friend in stabilizing and ensuring the strength of the common fisheries policy. I look forward to the Vice-president telling the Parliament today when and how the conclusions of the Committee on Legal Affairs and Citizens' Rights and Mr Guermeur's report will be implemented by the Community.

(Applause)

IN THE CHAIR: MR PFLIMLIN

President

Mrs Pery (S). — *(FR)* Mr President, this is the last time before our Spanish and Portuguese colleagues arrive that we shall be speaking in this Chamber of the fishery problems bound up with enlargement.

The agreement hammered out between Spain and the EEC is a well-balanced compromise which safeguards the essential interests of both parties. We have already said this over and over again. And yet, with only a few days to go to 1 January 1986, our fishermen, whether they be English, Irish, French or whatever, are worried. The same question is being put to us on the wharves of all our fishing ports: Will these agreements be observed?

The scepticism of the experts is fuelled — and this must be said plainly — by the fact that Spanish fishing boats continue regularly to flout the rules. And the doubts in the minds of Members of this House may well stem from the clear signs that the Spanish Government is in very little hurry to use the pre-accession aid of 28 m ECU voted by this Parliament. This budgetary package was to help Spain to reduce its fleet. It must be acknowledged that this initiative on the part of the Community has not met with the desired success.

Indeed, with only a few days to go to the accession date, a fresh debate has broken out between certain Member States, the Commission and Spain on the interpretation of two articles designed to regulate the presence of the 150 Spanish boats authorized to fish together at any given time in our waters.

This is where we get to the heart of the matter. How are we to carry out the required checks? We will be obliged to develop our own means of surveillance and to step up the missions of our Community inspectorate. The law must be the same for all. This is why, for instance, my region is to be given, as from April, an extra surveillance vessel to patrol the southern part of the Bay of Biscay.

I would thank Mr Guermeur for having in his report gone into all the important aspects of enlargement in relation to the fisheries sector, particularly social policy, the common organization of the markets and structural policy.

I should like to make one brief remark on this last point. I am very glad that we voted this very morning to continue the Community aids at present being given to boats of less than 33 metres in length. You, Mr Guermeur, are anxious that this upper limit should disappear from the regulation, and this is also what many fishing ports want. However, I would ask one

Pery

question: would it not be wise first of all to get an assurance of the substantial increase in the structural funds that this change will require? The accession of Spain and Portugal will have a bearing not only on fisheries but also on the food and food processing sector, particularly tinned sardines. Did you know that while the Community produces 29 000 tonnes of this product, Portugal produces 21 000 tonnes and Spain 17 000 tonnes? 40 Community undertakings would be in danger of finding themselves in a very difficult situation.

This is why large-scale measures are being taken to help them, measures that we have just approved this morning. Structural aid to the tune of 10 m ECU will be given to undertakings to enable them to discover new products, wind up their activities, do reconversion work or rationalize their production units.

Ladies and gentlemen, the Community has done its very best to prepare for this enlargement. Our Parliament has continually pressed for it. Personally I would hope that the political will of all concerned, as well as the friendship between them, will allow the remaining difficulties to be overcome.

(Applause)

Mr Giummarra (PPE). — *(IT)* Mr President, the enlargement of the Community throws down the gauntlet to the European fishing industry. This is the point of departure of the Guerneur report which, in dealing with the problems and the prospects in the fisheries sector, highlights the weapons with which the Community can give itself a more commanding presence on the world's seas. The questions raised by enlargement are unfortunately no longer confined to a purely regional dimension. They touch upon fundamental principles such as a stable balance of relations, while their social impact touches off a chain reaction which reverberates throughout the entire Community. Furthermore, there is the matter of renegotiating the agreements at present in force between the two new member countries and third countries, which will not only open up new horizons to the Ten but also safeguard the Twelve against the dangers that might flow from new agreements no longer prompted by purely commercial factors.

The magnitude of the problems involved therefore calls for measures to strengthen the fisheries policy with a view to increasing fishermen's incomes, guaranteeing the fishing industry preference, helping marginal processing industries to withstand the social shocks they will have to endure, taking the heat out of the confrontations that will be produced by inadequate technical rules, promoting intra-Community trade, copperfastening structures, updating commercial and social policy and above all eliminating the distorting factors created by the differences between national fisheries policies. The report ranges over all these top-

ics, but unfortunately it is not, at least to my way of thinking, sufficiently alive to the links between the structural and infrastructural improvements that must be carried out and the kind of action envisaged by the Integrated Mediterranean Programmes.

There seems to be a gap here that needs to be filled, and for that reason I have tabled an amendment stressing the importance of the fishing sector in the context of the Integrated Mediterranean Programmes and seeking to have modernization plans given their due weight within the projects envisaged under the IMPs. The most valuable part of the report, in my opinion, is the appeal it makes to the fishing industry for responsibility and self-discipline. Improved technical aid, more highly-developed professionalism in the administrations of the two new member countries, the need for a Community surveillance policy capable of ensuring — whether in regard to structures, services or personnel — that the fishery provisions of the Accession Treaty are observed, the establishment of surveillance centres and the implementation of ways and means of monitoring fisheries, legislative and judicial harmonization — all these undoubtedly point strongly to the prospects for Community fisheries evolving along very positive lines.

For these reasons, Mr President, I commend wholeheartedly the Guerneur report and promise that the Group of the European People's Party will be voting for it.

Mr Battersby (ED). — Mr President, Mr Guerneur and Lord O'Hagan are to be congratulated on achieving the deadline which was imposed on them on these two vital reports relating to Spanish and Portuguese accession and fisheries control.

With the entry of Spain and Portugal, the Community has now become one of the three fishing superpowers in the world. We now have 7 billion tonnes of seafood a year, and we are now in the same league as Japan and the Soviet Union, competing against them for fish in all the countries of the world, not just in European waters. But this tremendous potential will be worthless if we do not begin to harvest the living resources of the seas, instead of hunting them, and unless we work together and act as a fishing superpower with a planned integrated approach to the future, and if we are not disciplined — disciplined not only as a Community and as Member States, but disciplined as individuals. That is the thrust of these two excellent reports.

The quotas, the TACs and the licences are worthless unless they are respected and, human nature being what it is, unless they are monitored. The key to success in our fisheries policy will always be effective inspection and surveillance, effective sanctions and accurate and timely statistics.

Battersby

I have always said, Mr President, that the national inspectorates must be coordinated and integrated, that the Community inspectorate must be adequate. Thirteen men for the whole of the Community of Ten is a pathetic number. With Spain and Portugal in the Community, we are going to need at least 30. I hope that the Commission will expand to this level as quickly as possible.

We have to be sure that the inspection tools are adequate, that they have enough ships and enough aircraft for the job. We have to see that similar sanctions are imposed throughout the Community for similar offences. And we have to see that checks on land, as well as at sea, are made without prior warning so that we get an accurate picture. Finally, we must have a central record, which is open to the public, which will be kept on all offences, which will give the name of the boat, the owner, the skipper, the nature of the offence and the sanctions imposed.

With these comments, Mr President, I would once again congratulate the two authors and say that my group will be voting in favour of both reports.

Applause)

Mr Pitt (S). — Mr President, my query is that, in view of the delay that will now occur owing to Christmas and the recess, both in committees and in the Parliament itself, before we all meet again, and in view of the fact that 20 hours have elapsed since the President-in-Office of the Council addressed the Parliament, have you yet signed the budget that was passed by the Parliament yesterday, and if you have not, can you give us any information on your intentions as to whether and when you intend to sign it?

President. — My reply to Mr Pitt is that I have not yet signed the budget. I need some time for reflection, but I shall certainly take my decision before Christmas. That is the assurance that I can give him.

Mr Price (ED). — On a point of order. In view of what you have just said, Mr President, may I enquire whether you intend to invoke the joint declaration of June 1982, which indicated that Parliament would be bound by the maximum rate and provided a procedure whereby, if a new maximum rate had to be fixed, the three Presidents would meet 'immediately' and thereafter provided that every effort would be made to identify those elements on which the budgetary authority can agree, so that the budgetary procedure can be completed before the end of the year?

The reference to elements upon which the budgetary authority can agree indicates that Parliament, Commission and Council agreed that in a circumstance such as this an effort would be made to achieve compromise so that the budgetary affairs of the Com-

munity could proceed smoothly. I would invite you, Mr President, to do as Parliament at that time indicated that it was prepared to do in such circumstances, and that is, search for a compromise.

President. — That is a very interesting question, but it was not a point of order. I shall therefore not give a reply. Instead, let us pursue the debate.

Mr Wijsenbeek (L). — (NL) This report comes at a time when the inspection of fishing activities is very much in the news. In my own country large quantities of plaice have been seized by the general inspectorate of the Ministry of Agriculture. The report drawn up by Mr Guerneur and Lord O'Hagan rightly concentrates on raising a wide range of questions, and we look forward with interest to hearing the Commission's replies.

The fishermen of Urk, who have been the victims of this sudden clampdown, are putting up a fight for two reasons. Firstly, if the considerable investments they have made on their extremely modern and efficient ships are to pay off, they must sail and fish: they cannot afford to spend weeks or even months tied up at the quay without any money coming in. I should add that the modernization of this fishing fleet was encouraged by the Commission. Secondly, they point to the large surpluses in the quotas of the other Member States, especially where the flat-fish that have now been seized are concerned.

If Community measures have to be taken to prevent overfishing — and I agree this is necessary — then there must also be Community quotas, but it is conducive to inefficiency and evasion if the fishermen of some Member States are unable to fill their quotas while the quotas allocated to others are too small. Really efficient supervision in the Community as a whole is absolutely impossible. Even if we wanted a Community surveillance fleet patrolling Community waters, it could not be everywhere at once. The geography of the Community is such that a watch cannot be kept on every inch of the high seas and the many islands and bays on the coast all at the same time. This makes it possible for large quantities of fish to be sold unofficially.

If it is made easy for such practices to continue, this marginal industry will be affected in two ways: firstly, by pressure on prices and, secondly, by pressure on the results achieved at the fish auctions. The fewer auctions there are, the greater the pressure on fishermen to dispose of their catches on the grey and black markets. Some people find it difficult to take so efficient and profitable a fleet as Urk's as a serious example. I personally feel there is no denying some injustice in this case, if only because this community, which has not had direct access to the open sea for a long time now, has been able literally to keep its head above

Wijsenbeek

water and to develop a thriving industry providing numerous jobs both ashore and at sea. The best navigators are ashore.

Mr President, if we are going to be so strict where supply lines are so long and so difficult, I ask myself what the situation will be in the none too distant future. I hope Commissioner Andriessen and his successors will eventually succeed in establishing a fair and satisfactory policy. But I have my doubts. What Kniertje said is still too often true in my home town: 'The price paid for fish is high', and as a critical European and Scheveninger I would say 'too high'.

Mrs Ewing (RDE). — Mr President, I am very glad that the two reports are being debated together. I think that in the chairman of our fisheries subcommittee we have found what I might call the philosopher of the fishing industries of Europe, while in Lord O'Hagan we have a very practical man who has been making some very sensible, practical and fairly strong suggestions that have to be put into action and not simply remain words on paper.

I am just remembering that I have been making speeches on enlargement for nine years in this Parliament. I have always had certain reservations about the Spanish fleet, particularly in the North Sea. To some extent we have got a solution, at least on paper, to many of my fears and reservations.

I think that Portugal and Spain present entirely different situations. Portugal does not in any way constitute a threat to other fishing fleets. Rather, Portugal is going to be a social problem which we must help to solve.

However, I must say, in this last debate on fisheries before enlargement takes place, that there is no evidence whatsoever that there is any law-abiding tendency in the Spanish fleet. Neither does the Spanish Government care about that. I will not overburden you with statistics, because we really do that in the Fisheries Subcommittee. Fines are imposed, for instance, even by Ireland, sometimes on the same boat which comes back within three months after being asked to pay such large fines that no skipper, not even at the top end of the Scottish scale, could possibly afford to pay them. We know perfectly well that the Spanish fines are being shared out in some way or paid for in some way by the Spanish Government. I do not know which it is. I have asked the Commission repeatedly and they will not look into it. They say it is not their responsibility. If it is not their responsibility, whose responsibility is it? Here you have a fleet coming in, and it is not law-abiding.

None of our fishermen are angels or saints, not even fishermen from the Highlands and Islands of Scotland. However, having said that, we have in the UK a very strong fisheries inspectorate with very strict powers,

which they enforce. Therefore, in a certain way, any tendencies not to be saints are strictly curtailed. We have a very different situation in the Spanish case. They have regularly been fined in our local courts for offences in the North Sea as far north as Shetland — also heavily fined.

This makes it all the more important that what is in the reports by Lord O'Hagan and Mr Guermeur about policing should be taken seriously. There is no point in our having those bits of paper if we are to have only 13 inspectors. We were originally promised 36, if you go back far enough, and that was even before Spain was to join. Let us be quite clear. Unless we and the Commission mean that there is to be a proper inspectorate with the proper kind of powers as set out in these documents, then these are just bits of paper.

In a way, it is worse to have pious bits of paper than to have none, because it makes the fishermen of our various fleets distrust us as people who are quite happy if we put it on paper nice and tidily but then sit back and do nothing about it. In other words, it creates a disrespect among those very men out on the high seas sometimes facing waves as high as a building, as we sit comfortably here. These are our last hunters. They are out there in those conditions risking their lives. How can you expect them to take us seriously if we just produce the right bits of paper and do not insist that the Commission acts on them and make sure there is the money for it, and so on? I was partly happy with the outcome of the number of vessels and so on allowed from Spain, but how on earth are we to control this 300 or 350? Are we to have a computer? We have all the practical suggestions in these reports, but can the Commission tell us how it is actually going to ensure that there will only be 300 here at a time fishing for a certain species? How are they going actually to do it? I do not know.

Then again, what about this money we are giving them? We understood from the Fisheries Subcommittee that the Spanish money would not be used to expand the middle-distance fleet. Now will the Commission assure us that that will be the situation, that we shall not be aggravating the problem but, as Mrs Péry said, be trying to help the lower end of the Spanish fleet, which does not present much of a problem to anyone? They are just fishing for a country where a lot of fish is eaten, and they are socially very important to Spain. We must harmonize what our inspectors do. There is no use in one state having strict inspectorates — and there are strict inspectorates in Britain: I can say that with my hand on my heart. However, there is no point in one state having strict inspectorates if others do not.

I would lastly say a word for the fishermen. No industry puts as much money back into the industry as fishing, no industry at all. Here they are, as I say, risking their lives. Everybody who lives among them, as I do, knows how terrible a way of life it is. They have cho-

Ewing

sen it, of course, but we must win their respect too for what we do here. If we do not take them seriously they certainly will not take us seriously, and we shall not have any hope of implementing the kind of policy set out in these reports.

Mr Stavrou (PPE). — (GR) Mr President, we all know that the negotiations for the accession of the two Iberian countries to the European Community lasted for many years because the problems that had to be solved to allow those accessions without consequences undesirable for the EEC were particularly difficult.

We also know, Mr President, that among all those problems the most intractable, complex and, I would say, dangerous for the European Community was, and remains, the problem of fisheries. For those reasons, as you will remember, the matter of fisheries was left for discussion till last. Agreement on it was reached after the well-known all-night marathon session in Brussels, a marathon so exhausting that the then President-in-Office had to summon up his ultimate physical reserves immediately after the end of the session, to inform the subcommittee on fisheries which had been awaiting the outcome of those negotiations with commendable patience. However, Mr President, experience of the Community teaches us that every all-night or all-day marathon conceals a justified and in other respects estimable political purpose. In the case in question, that purpose concerned the absolute need to conclude the negotiations, whose protracted duration represented a continually greater threat to the ideal of European Union.

It fell to our esteemed colleague and Chairman of the Fisheries Committee, Mr Guerneur, to take up the heavy task of assessing the consequences of the two new countries' accession for this exceptionally sensitive sector, the fisheries of the Community's remaining Member States.

Colleagues, we ought to recognise that with his report today, the rapporteur has fully completed his task, and I would like to congratulate him both on behalf of the political group I represent, and personally. With his in-depth knowledge of matters relating to fisheries, Mr Guerneur's report outlines the correct path we should pursue in the immediate and the most distant future, to deal effectively with the grave problems, mainly economic and social, as Mrs Ewing also laid them before us a little while ago, which are likely to become particularly acute in the fisheries sector as soon as Spain and Portugal join the Community.

Mr President, I would also like to hope that in dealing with those problems we will not forget the fact that the IMP's were conceived for exactly the same reason, namely the consequences of enlargement, and that the three counties involved should find within the scope of those programmes whatever means they need to restructure their fishing industries.

For the above reasons, Mr President, my political group will vote unanimously in support of Mr Guerneur's report.

(Applause)

Mr Hoon (S). — It seems singularly appropriate that I should be speaking on behalf of the Socialist Group on these reports concerning the enforcement of the common fisheries policy since it is likely that I represent a constituency, Derbyshire and Ashfield, which is the furthest from the sea of all the United Kingdom constituencies!

That is not to say, however, that my constituents do not take a considerable interest in the fortunes of what was once one of Britain's traditional and most important occupations. Like most people from the East Midlands, I regularly visit the east coast of England and can recall as a child watching the fishing-boats from the once-great fishing port of Grimsby setting out and returning with their catch. A visitor to Grimsby nowadays would not be so fortunate. Neither, of course, are the east-coast fishermen and their families, hit by high levels of unemployment and a lower income as their trade has contracted, turning a formerly busy port into a wilderness of half-empty cold stores and unused dockland.

This dramatic transformation of economic activity has, of course, been reflected throughout the British fisheries. It was brought about by the loss of historic and traditional fishing-grounds as British waters were opened up by the Common Market's common fisheries policy.

(Interruptions)

Non-EEC countries became more self-protective and more determined to exclude British fishing-vessels at about the time that British fishermen were facing greater competition from EEC countries.

(Lord O'Hagan asked the speaker to give way)

Lord O'Hagan and I may have a difference of opinion as to the interpretation of those events, and I am grateful for his indication that he disagrees with my interpretation. That doesn't come as a surprise, but if he would allow me to continue with my remarks he will discover that I am actually going to welcome his report, and if he would like to listen to me then I will continue on that basis.

One important aspect of this loss of access to fish-stocks and fishing-grounds was the free market free-for-all seen by British fishermen as a direct consequence of the common fisheries policy. At the same time, those principles of the common fisheries policy which would have helped those areas and regions particularly dependent on fishing for employment have not been

Hoon

sufficiently or effectively implemented, especially where there have been losses caused by the lack of access to third-country waters and where fish-stocks were run down by aggressive and irresponsible over-fishing.

That is why, on behalf of the Socialist Group, I am able to give a cautious welcome to the contents of the O'Hagan report, concerned as it is with improving the inspection and supervision of the policy. The ultimate aim must be to maintain fish-stocks, crucial for the future of this vital source of food protein, to protect over-fished species, allowing them to survive and recover and ultimately, we hope, to flourish.

This report is concerned with conservation and preservation both as to the control of catch sizes and in relation to the nature and number of the species of fish caught. Rather than repeat the content of Lord O'Hagan's report or speech, I propose to concentrate on those aspects which I consider merit special consideration or emphasis. The call for an improvement in the operation and organization of the system of inspection cannot be faulted, although I would stress the continued importance of nationally based systems of inspection, particularly in the United Kingdom. A mutually acceptable programme of inspection is likely to continue to be necessary, not least on the grounds of good will and practicability. Nevertheless, I am prepared to accept that aspect of the report providing it does not lead to an entirely EEC-based system of inspection. Their work, I believe, would be facilitated by other aspects of the motion for a resolution, particularly those concerned with the provision of information. I would strongly support the suggestion that more information needs to be made available on the activities of the EEC's fishery inspectors. It is important that their precise rôle is made more widely known, especially to Members of this House who are interested in their work and would appreciate regular reports.

I do not share Lord O'Hagan's apparent concern that this might in some way inhibit the enforcement of the common fisheries policy. On the contrary, the public exposure of breaches of the policy can, I believe, only enhance the protection required, at the same time as assisting this Parliament in its rôle as an essential check on bureaucratic procedures. Whilst I admire the brave words at the end of the motion calling for hard-hitting sanctions for Member States which disregard the conservation requirements, I anticipate that the rapporteur may have to give this aspect of the matter some further thought, particularly as to the nature and the enforcement of such sanctions.

In conclusion, the proper enforcement and supervision of the common fisheries policy can only be in the interests of all fishermen, can only be in the interests of their future employment and the protection of fish-stocks.

Mr Narjes, Vice-President of the Commission. — (DE) I should like to begin by thanking both rapporteurs, on my own behalf and that of my colleague, Mr Andriessen, for their reports, for the cooperative spirit in which they were drawn up and for the many suggestions they contained.

I shall begin with Mr Guermeur's report and broach the problems of control when I come to deal with Lord O'Hagan's report. The Commission agrees with the assessment of the consequences and significance for the Community fisheries' policy of the accession of Spain and Portugal. It will add a new dimension. Its fishing fleet will move up from fifth to third largest in the world and its total tonnage will increase by 75%. We shall have to face two challenges: internally, that of managing stocks; externally, that of realizing our trade and fisheries' policy goals. Our significance as an import market can only benefit therefrom.

The active external policy — which I shall deal with first and which we are now being called on to produce because access to foreign waters has become more important for us following the present accession that it has been hitherto — will be the major task the Community has to face. This is particularly true in the case of Spain since two-thirds of its catch is taken outside its own territorial waters. The Community will have to incorporate, in a very short time, an additional number of agreements — about fifteen — into the Community regulations. While maintaining the existing principles governing its relationships with third countries — including the development policy aspect of its fisheries relations with the ACP countries — the Community will endeavour to offer third countries appropriate compensation to ensure the maintenance and development of the activities of all Community fishermen.

It will have to give systematic consideration to the judicious use of trade concessions where they prove necessary to protect its fishing interests. In this context it has, in particular, under the terms of Protocol No 4 of the Accession Treaty, set up the machinery for additional tradeoffs within the framework of the fisheries agreement. The Commission must step up its activity in the new zones, i.e. the Mediterranean area, where, after accession it will be the most important riparian body and where the need to manage and maintain stocks is becoming ever more urgent.

1986 will be a transitional year where structural policy is concerned. The various measures introduced in 1983 will expire at the end of 1986, unless the proposals for extending them, currently being discussed in the Council, are adopted. Consequently, the views the Commission put forward at that time should enable it, in the second quarter of 1986, to make concrete overall proposals to the Council on the implementation, as of 1987, of the common structural policy. I can assure the House that the Commission will take account of the comments in Mr Guermeur's report in its work.

Narjes

With regard to extending market organization, the current machinery is intended to protect producers' incomes in the Community.

In the framework of this extension additional products have been included in the arrangement on support prices. In addition, consideration has been given to the possibility of amplifying, where appropriate, the field of application of the Community support price arrangements to take account of special production and marketing conditions affecting specific species.

With regard to sardine-canning transitional measures have been adopted to prevent distortion of competition between sardine producers within the enlarged Community as well as to protect the incomes of Mediterranean producers.

On Lord O'Hagan's report on control questions: the Commission has noted with interest Parliament's fears on the policing of the application of the common fisheries' policy expressed therein. I should like to stress in the first place that responsibility — and this is important for a whole series of questions which have been raised — for policing fishing and the respect for the measures to maintain fish stocks is primarily a matter for the Member States.

The Member States must suspend fishing as soon as the quotas have been exhausted. Their control services must police the vessels and the fishing installations. The Commission's task is to oversee the effectiveness of the national controls throughout the whole Community to ensure full and uniform application of the common fisheries' policy.

For this purpose the Commission has designated 13 inspectors. The number will be increased to 21 in the near future. This is not a question of good will but of budget. Despite significant progress in the two years that the fisheries' policy has been in existence, the situation is still not satisfactory. The Commission therefore welcomes the support for strengthening Community control measures contained in the motion for a resolution by the Committee on Legal Affairs and Citizens' Rights.

The motion for a resolution also suggests strengthening the Commission's authority in setting up, in agreement with the Member States, inspection programmes. The Commission greatly welcomes this suggestion. Realizing, as it does, that the current regulations are inadequate, the Commission for its part has already proposed to the Council that more powers should be transferred to Community inspectors to enable them, in particular, to go beyond their present function of simply monitoring the application of the regulations in conjunction with the inspectors from the individual Member States.

The Commission's proposals which deal with other aspects of the control provisions were discussed a

short while ago in Parliament's Sub-Committee on Fisheries. The Council will also have to take a decision on this at its next meeting on 16 December. I should like to add that the Commission has, furthermore, proposed to the budgetary authorities that the number of inspectors be increased.

The motion for a resolution raises the question whether fishing vessels can be pursued by the control vessels into other States' waters. This question is governed by international law and cannot be decided unilaterally by the Community. It does not appear necessary during the present phase to lay down additional guidelines in this area. The Commission wholeheartedly agrees that Parliament should be given systematic information on the application regulations for the common fisheries' policy. It will therefore make every effort to comply with the wish set out in the motion for a resolution concerning the various aspects of control of fish catches, as indeed it already does, particularly in the Sub-Committee on Fisheries.

Article 169 clearly applies to offences against Community law and the Commission will not refrain from invoking it. These are some of the reflections suggested to us by the motion for a resolution. I am convinced that the intensive debate on this matter will have to be continued in the future in the committees since the problems are delicate and touch on the borderline between what the Community and what the Member States can carry out.

President. — The debate is closed.

Explanation of vote

Mr Adamou (COM), in writing. — (GR) The resolution proposed by the subcommittee on fisheries takes no account of the problems faced by Greece in the fisheries sector, which are enormous and are related, above all, to its very survival; whereas those problems ought to be dealt with so that the sector in question could develop.

The Greek fishing industry is treated in the same way as the developed fisheries of Italy, France and Spain, both in the Mediterranean and throughout the Community's fisheries. Thus, the measures proposed will lead to the annihilation of Greek fishing.

For Greece, paragraph 1(e) of the resolution is unacceptable among others, because it takes no account of special national circumstances — differences with Turkey — which will have more general consequences for Greek national interests if there is a "full extension of the Community's common fisheries policy" to the Mediterranean as well.

For all these reasons, the European Members of the Greek Communist Party, Mr Adamou, Mr Ephremidis

Adamou

and Mr Alavanos, will vote against the proposal by the subcommittee on fisheries.

(By successive votes, Parliament adopted both resolutions)¹

4. Tribute to the Secretary-General

President. — Ladies and gentlemen, before ceding the Chair to one of my colleagues, I should like to point out that our Secretary-General, Mr Hans-Joachim Opitz, who will soon be leaving us, is now attending a public sitting of Parliament for the last time.

I should like to take this opportunity of conveying to him, on behalf of the entire House, our high regard and sincere gratitude for the distinguished services he has rendered over many years to our Institution.

(Loud applause)

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IN THE CHAIR: MR GRIFFITHS

Vice-President

Mr Sherlock (ED). — Mr President, on a point of order, I wonder whether you could either indicate yourself or invite the House to take a decision on how long we are going to go on today. With the amount of self-indulgence that has so far been shown in the speaking-time, it is quite evident that the debates cannot be finished as scheduled on the agenda.

President. — Mr Sherlock, I shall be in the Chair until 1.15 p.m. If there is another President available, the sitting will go on until 2 p.m.

Mr Sherlock (ED). — Mr President, it was an invitation that I thought you might have asked your colleagues to take some part in. This was the spirit in which I asked it and in which I hoped you might take it up. There may well be some who take quite a different view.

¹ In connection with the Guermeur report, the rapporteur spoke *in favour* of Amendments Nos 1, 2, 10, 13, 16, 17, 20 and 22; and *against* Amendments Nos 4 to 8, 11, 12, 15, 18, 19, 21 and 23.
In connection with the O'Hagan report, the rapporteur spoke *in favour* of Amendments Nos 1 and 2.
For the item relating to the designation of political groups, see the Minutes.

Mr Van der Lek (ARC). — (NL) Mr President, although I sympathize with the Bureau's desire to get through as much of the agenda as possible this morning, I feel obliged to raise an objection. There are various scheduled flights on which many Members have to leave in half an hour, unless they are prepared to get home by some other, very laborious means or spend another night here. I find it really pointless for us to stay here after so many scheduled trains and planes have already departed. It makes life difficult for very many of us, and it does not help our work either. I therefore propose that the sitting be closed at 12.30.

President. — Well, I have had a proposal that we should finish at 12.30.

Miss Tongue (S). — Mr President, could I propose that we actually take the votes on reports on which there is no debate? Would that be possible? There are some votes that could be dealt with in 5 minutes.

President. — Unfortunately, there are speakers on all items.

Mr Prout (ED). — Mr President, I really do not think we can conduct our business like this. The agenda was agreed at the beginning of the week. People are only asked to spend half a day here on Friday at the most. We are elected Members. We have responsibilities to nearly 300 million European citizens. To try to limit our debates on a Friday morning just because it suits our convenience would, I think, be quite wrong.

Mrs Veil (L). — (FR) I should like to make a specific proposal.

We still have a number of reports, some of which should be short. They are the reports by Mrs Fullet and Mr Bardong, followed by the Harlin and Marck reports which should also be short, and the Boserup report.

I think we should bring all these reports together and stop before or after the Turner report. We cannot go any further because a look at what we have left is enough to show that this is quite impossible. The Parodi report has an enormous number of amendments attached, it is a complex report. My own wish was that it be taken today since the matter is fairly urgent, but I think we can say as of now that we shan't reach it. Can we not now take it that we shall stop before or after the Turner report?

Mrs Weber (S), Chairman of the Committee on the Environment, Public Health and Consumer Protection. — (DE) Mr President, ladies and gentlemen, when

Weber

we come to the short reports, I should like to see the Tongue report included with them. I share Mrs Veil's opinion that we should not take the vote on the Parodi report today, since that is likely to prove extremely complicated; but the short reports should be debated together with that of Miss Tongue. Perhaps we could appeal to all Members not to make full use of their speaking-time.

Mrs Fullet (S). — (FR) Mr President, I have much admiration for my colleagues, but five minutes have now passed since a request was made to reconsider the agenda. Five minutes was all the time I needed both to present my report and to have it voted upon. So, I am at your disposal.

President. — The Parodi report is obviously one which we shall have to put on the agenda in January. Apart from that, we will carry on with the agenda until I leave the Chair at 1.15 p.m.

5. *Coordination of aid to third countries*

President. — The next item is the report by Mrs Fullet, on behalf of the Committee on Budgetary Control, on the coordination of Community aid to third countries (Doc. A 2-130/85).

Mrs Fullet (S), rapporteur. — (FR) Mr President, ladies and gentlemen, it is the task of the Committee on Budgetary Control to assess the effectiveness of the policies we finance from the budget. The help of the Court of Auditors is, in this respect, fundamental since we do not have the material resources needed for the inquiries entailed by such an evaluation.

The report presented to us by the Court of Auditors on the coordination of Community aid to third countries is clear. It is a very delicate aspect of development aid policy.

Community aid is founded in large part on the concept of co-financing. Development aid projects are very expensive and a much greater impact can be expected from joining up with other sources of financing. The Community's partners may also be Member States or non-governmental international organizations, or indeed development banks.

The co-financing formula is therefore an indispensable condition for an effective policy, but it has drawbacks inherent in the multiplicity of financing sources and decision-making centres; in other words, it involves the risk of a want of coordination. Specifically, this means that projects are often delayed or even jeopardized because decisions are not taken at the proper time. The Court of Auditors, in its preliminary report,

refers to a whole series of projects whose effectiveness has been reduced because various departments or institutions have not been able to communicate with one another as well as one might have wished. This is not the place to go into these failures. It is not our job to denigrate nor to sensationalize. On the contrary we should be attempting, on the basis of the Court of Auditors' analyses, to propose concrete solutions to problems that diminish the effectiveness of Community aid. Sometimes the solution is quite simple and calls only for a little good will from the partners. Indeed the Community has few problems in its relations with the development banks and the NGOs. Coordination is effected in a pragmatic manner, with a leader being appointed for each project. Any difficulties that there are are settled by negotiation.

Oddly enough, difficulties are rather more numerous and serious in relations between the Commission and Member States. This is due to a misunderstanding as to the nature and objectives of Community development aid. As the Member States see it, Community aid is nothing more than an extension of their own policies and at the very most a coordination of the different national policies. My apologies to Member States.

From this point of view, of course, the Commission has no need to be informed of the details of national programmes and, should there be divergence, it is bound to adapt Community action to national action. This is not our approach. We feel, on the contrary, that Community development aid must have its own objectives. It has several decisive advantages over national policies. It is free from foreign-policy ulterior motives and from trade policies that often distort bilateral relations between developed and developing countries. With its Community character it can command substantial resources. More than one and a half thousand million ECUs can thus be channelled each year under the various Community instruments. This policy occupies a perfectly respectable place in the budget with amounts approaching those going to the regional and social policies.

Even so, it is vital that these appropriations be used as effectively as possible and that problems of coordination be reduced to a minimum.

Where coordination is faulty, the Commission is seldom entirely responsible. With its experience it is generally able to ensure good communication between its various departments and directorates-general, even though the Court of Auditors has pointed out a few isolated instances of difficulties, notably with the Directorate-General of Agriculture.

As regards coordination between the Commission and beneficiary states, problems are more difficult. The Commission has to respect the sovereignty of beneficiary states. The Court of Auditors points out that it is often illusory to attach conditions to the granting of development aid which the beneficiary states are pre-

Fuillet

pared to accept at the outset but which the Commission is not able to enforce. These problems with the beneficiary states are generally resolved through the intermediary of the Commission's local delegations.

In conclusion, Mr President, ladies and gentlemen, I should like to draw your attention to the specific solutions we propose in paragraph 10 of the motion for a resolution to improve the coordination of development aid. These concrete proposals seem to me more effective than all the declarations of intent that have been made on this subject and which, thus far, have only weighed down the bureaucracy of committees and representatives of national administrations.

I don't think I can have gone down very well with everyone this morning, but I felt this needed to be said.

(Applause)

Mr Aigner (PPE). — *(DE)* Mr President, in view of the time I will confine myself to a few remarks. First of all, I should like to thank the Court of Auditors for their report, which has introduced a number of ideas into the discussion. I would also thank the rapporteur for her brief and precise analysis of the problems of coordination and also the chairman of the Committee on Development and Cooperation, who is still present. Precisely in connection with this report, we have shown that we are on good terms of cooperation with the specialized committees, and we have taken all their wishes into account.

As I understand, Mrs Focke, you have tabled an amendment of deletion to paragraph 7. Perhaps I might here explain very briefly the view of our committee. We had no intention of calling into question the sovereignty and responsibility of the recipient countries; what we were concerned about was that our projects — those of the Commission and of the Member States — should have a direct impact upon the development policies of the countries concerned. We should therefore, if possible, leave paragraph 7.

(Interjection from Mrs Focke: 'But that is capable of being misunderstood')

A last word to the Commission. Mr Natali, I would beg the Commission to pay due attention to the important points in the report. We have not yet got beyond the information on the various levels of development aid, but apart from the information, we must put our heads together on the conception, the way the thing is to be conceived. That is something more. I would therefore ask you to keep in touch with the specialized committees and also with us so that we can give this development our support.

Mr Simmonds (ED). — Mr President, in view of the hour, may I confine my remarks to saying that whilst

we welcome Mrs Fuillet's report and the constructive and sensible criticism — above all constructive criticism — that it contains, I can only reflect that it is a very vivid contrast to the usual criticism which is levelled at the Community's activities in the field of world aid. When last month we had a visit from a well-known pop-star to this House, the press were all too eager to listen to his every word of criticism and to the baying from certain sections of this House of unconstructive criticism. It is so sad that at the end of business on a Friday we should be actually producing constructive criticism which is listened to by nobody.

I conclude my remarks, Mr President, by saying that we welcome this report. How nice it is to see constructive criticism being sensibly levelled! As far as we are concerned as a group, we shall be working to make sure that these criticisms, constructive as they are, are noted and implemented by the Commission.

Mr Natali, Vice-President of the Commission. — *(IT)* Mr President, first of all I should like to compliment the Committee on Budgetary Control on its initiative in having this report drawn up by Mrs Fuillet.

This is certainly an important debate in that it concerns a vital matter that is, I would say, at the heart of all the discussions on food aid that take place in the various international bodies. We have already submitted two resolutions to the Council — one in June 1984 and the other in November 1985. They set out what we see as the principles that should govern a pragmatic operational coordination which would make the whole process centre around the beneficiary country. The most serious problem is undoubtedly how to ensure that the actions of the various donors dovetail with each other and complement each other. This is the real challenge that faces us.

As Mrs Fuillet has said, the report by the Committee on Budgetary Control was based mainly on the report by the Court of Auditors. I must say that in this latter report there is a certain confusion between coordination between donors and coordination within the Community institutions, and I am glad that the Committee on Budgetary Control did not follow the Court's lead in this matter.

There are only three aspects of the report on which I should like to comment. First of all, the two Council resolutions that I have mentioned dealt with improving coordination between aids not only at the stage at which the results achieved are assessed but also at the stage at which the projects are clearly defined, prepared and efficiently carried out.

These two resolutions deal mainly with coordination on the ground, which is the most basic element in operational coordination. Here I would acknowledge that the Commission delegations in the developing countries can play a vital role not only in regard to

Natali

Community aid but also in the matter of coordination with the other donors. I must also say that I have given precise instructions with regard to this on-the-ground coordination in the developing countries between the Commission delegations and the representatives of the Member States. These instructions call for working meetings between the main donors to examine regularly the various stages of implementation of projects between initial conception and final assessment. This, I would say, echoes and backs up what you will find in paragraph 10 of the motion for a resolution.

Secondly, paragraph 11 of the motion for a resolution expresses the view that joint action to improve the quality of aid can and must take forms that are not simply confined to joint financing. The Commission is entirely in agreement with this view.

This concept of coordination must be concerned first and foremost with sectoral policies before concentrating on development actions and on the joint financing of development action. This is the line we have taken on the coordination established under Lomé III and also on the plan we launched recently for the rehabilitation and recovery of those African countries hardest hit by drought.

My third comment refers to paragraph 4 of the motion for a resolution, which notes that coordination with regard to project selection and implementation is provided in one direction only, i.e. from the Commission to the Member States. This view has been taken into account in the report submitted by the Commission to the Council in September 1985.

I am happy to be able to say that the Council has done something about this part of the report in its resolution of November 1985. In this resolution the Council stresses the importance of improving the flow of information on aid operations in hand from the Member States to the Commission.

In the course of the debate references were made to another important aspect of coordination, namely, coordination between the Commission's services. It is extremely important to be able to ensure the closest possible operational coordination between the Commission's services. This is certainly no easy task. It is very probable that we have the same difficulties to contend with in the Commission's services as arise at the level of the Member States. We have, however, set about reforming structures and management methods. I must also inform the House that other reforms are in preparation, especially — and here I would address myself to Mr Aigner in particular — in the food aid sector with a view to solving the problems of the deployment and management of this aid.

I should like to conclude, Mr President, by stressing once again the importance that the Commission attaches to this debate. We feel that it is important that Parliament should address itself to this vital question,

discussion of which will, I believe, be continued on the basis of a forthcoming report from the Committee on Development and Cooperation. This latter report will, I think, perform a very useful service in backing up the report we are debating today.

President. — The debate is closed.

(Parliament adopted the resolution)

6. *ECSC operating budget for 1986 —
Level of ECSC financial reserves*

President. — The next item is the joint debate on:

- the report by Mr Bardong, on behalf of the Committee on Budgets (Doc. A 2-177/85), on the *aide-mémoire* from the Commission to the Council (COM (85) 425 final – Doc. C 2-83/85), on the fixing of the ECSC levy rate and on the drawing up of the ECSC operating budget for 1986;
- the report by Mr Härlin, on behalf of the Committee on Budgetary Control, on the establishment, use and amount of the ECSC reserves (Doc. A 2-155/85).

Mr Bardong (PPE), rapporteur. — Mr President, this House has devoted considerable effort to the debate on the budget and the extension of its budgetary powers. This question also arises in the context of the ECSC budget. Unfortunately, we have devoted too little time to it in this context and as a result many, perhaps, do not recognize the opportunities it contains, particularly as our opposite number in this context is the Commission which, basically speaking, is more prepared than the Council to accede to Parliament's wishes.

Turning to the topic itself, its controversial nature unfortunately prevents me from being as brief as I would like to be in view of the lateness of the hour. The ECSC operational budget does not indicate clearly which measures were in fact completed and financed in any particular year. This lack of transparency is due to the fact that there is no separation between commitments and payments. Everything is based on estimates. These estimates are derived from different commitments: commitments decided in principle; commitments actually entered into and then not actually used, and even those which have actually been paid out. This difference leads to a lack of clarity. In reality this budget says too little about actual commitments undertaken and the actual payments. As a result the appropriations have always exceeded what is actually used in implementing the budget; sometimes as

Bardong

much as double what can be paid out in the particular year.

The ECSC operational budget is now receiving transfers from the general budget of the European Community. This is now to be subject to strict control by Parliament since the transfers take place as part of a budget which is better provided for than the general Commission budget. Parliament has undertaken this control task with the help of the Court of Auditors. The conclusion reached on the matter is that commitments should only be undertaken when there is a corresponding legal commitment in the framework of closer examination of the appropriations to be undertaken, etc. The only area where it has not been successful is with regard to the introduction of a new system which enters actual revenue together with actual expenditure in the budget. The Bardong and Härlin reports give different assessments of this and examine it in detail in different ways. This was severely criticized in the Committee on Budgets — whose views are reflected in my report — and to a lesser extent in the other report. The Commission's decision to invite an independent institute to conduct an inquiry and to present its findings at an early date are stressed more strongly in the second report.

In the light of this, a large number of unnecessary commitments have been rescinded — 31 million and 55 million ECU in each of the last two years respectively. This shows that this budget contains a high level of liquidity and that the funds are lying fallow without producing what they are capable of producing.

Consequently, a majority in the Committee on Budgets approved my report which proposes reducing by a minimal amount a further source of income for the ECSC budget, namely the Steel industry levy. I would remind the House that earlier, in the context of introducing transfers of funds from the overall budget to the ECSC budget, the levy was also raised from 0.29% to 0.31%. We are now more careful with transfers from the overall budget to the ECSC budget. It is therefore logical to ask whether a modest reduction would not also be possible in the case of the levy. This is what we are proposing.

Mrs Quin has tabled an amendment against this proposal. I believe that those who are opposed to it are starting from a false premise, i.e. that the small reduction in income — about 5 million ECU — would curtail scope for social projects.

Both sides of the revenue must be carefully considered. That is why we are making this proposal. This amendment is clearly based on the supposition that social payments would thereby be reduced by 5 millions. In the view of the Committee on Budgets this is totally false since there is absolutely no reason why a reduction in income from the levy should curtail payments, since the Commission can, as in previous years, rescind further commitments. If it is no longer a matter of

50 or 80 million ECU but of only 10 million ECU, we will still have ample opportunity to more than make up for this small reduction in revenue.

A further argument claims that the high level of ECSC budget reserves is an important factor in its high credit rating. With 9 000 million ECU in the overall ECSC accounts there is no way that these 5 million ECU can adversely affect its credit rating. I repeat, it is simply a question of a budgetary policy decision on the income side — a line which the Committee on Budgets has followed for years with a view to effectively improving the budget. We are hopeful, and indeed we insist that the Commission, as our partner, will accept this since this budget has nothing like the transparency it should have. It is not a question of reducing the payments side and there is no reason why it should be.

For these reasons I ask the House to reject the amendment I referred to and to vote for the report as a whole as adopted by the Committee on Budgets.

Mr Härlin (ARC), rapporteur. — (DE) Mr President, ladies and gentlemen, essentially Mr Bardong and I agree in our assessment of the ECSC's financial situation, and I merely want to draw attention to a few points which he did not bring out so clearly.

First of all, the Commission is our partner so long as it considers us an ally *vis-à-vis* the Council. That is not so in connection with the ECSC budget. Therefore, Mr Bardong, I would show a little more caution in assessing our relationship with the Commission with regard to the ECSC budget and also with regard to the decision to reduce, for example, the levy rate by 0.01%, since this, according to what I have been able to learn from the Treaties, entirely fails to fall within the competence of this Parliament. One can take whatever view one likes of that.

The decisive question in my report was whether the reserves and liquid assets in the ECSC budget are needed to maintain the much-lauded triple-A rating which the ECSC at the moment enjoys.

At this point I wish to make a preliminary remark. This report was not allotted to me on the grounds of any particular competence. I have made an effort to gather information in this field, and with regard to the triple-A rating I have met with no success — not, I think, because I am slow on the uptake but none of the sources is in a position, or is prepared, to provide precise information on the point — neither the responsible gentlemen in the Commission, who have a definite interest in protecting their liquid assets, which are very high at the moment, nor the gentlemen from Standards Poore in New York, whom I interrogated on the subject and who for their part, also have a clear interest in maintaining as high as possible a rating for the ECSC.

Härlin

I am therefore very dubious as to whether this Parliament is in a position to decide what amount of reserves is needed in order to keep the triple-A rating. At all events, I am certain that it is a mistake to relate the operating budget with the reserves, since that is not the point with the ECSC rating; rather must the reserves be related to the ECSC's lending activities: that is where triple-A comes in, and with it the rating. Consequently, Mr Bardong, in my view, is tending to lose the thread here.

Secondly, a few things have happened with regard to the form in which the ECSC has hitherto cancelled commitments that were not entirely clear or intends to cancel them in future. There we are in entire agreement, and that is a good thing.

The third point that this Parliament must in fact take up is the question what happens to transfers from the general Community budget to the ECSC to finance social measures in connection with the restructuring of the coal and steel industries. Here the Parliament must really exercise some severe criticism. It is incomprehensible and frustrating that transfers to the ECSC from the severely-strained general Community budget should be stored up because they are not used in the budgetary year in which the transfers were made. On this point, the ECSC that is to say, the gentlemen of the Commission in their capacity as High Authority were obviously in such a difficult position that they proposed off their own bat to refrain from making payments during 1986 until the transfers from the general Community budget, today profitably invested with the ECSC, have been spent.

I am even more intrigued by the question why this money has not been spent. Why have the over 120 million ECU taken out of the Community budget not been allowed to benefit those hardest hit by the Steel crisis? These are, heaven knows, not the coal and steel enterprises as such, but the steel and coal workers who are standing on the streets. That is the crucial issue! This money was not transferred by the ECSC to the victims but was invested to bring in interest. It was used so that the ECSC rating . . .

(The President urged the speaker to conclude)

I do not quite follow you, Mr President. Is it because I am a Green, or . . .? Allow me one final sentence, I wasn't counting on that.

The really decisive point, in my view, is that we should not make any concessions to the Commission, whether by accepting a postponement of the payment or by giving it, the Commission, a blank cheque, a free ticket, for the remainder of the social measures. The Commission has asked that this be removed from the Parliament's sphere of competence and made subject to a decision. What we should say is that we are prepared to revoke this transfer only when necessary,

provided it is promised us by the Council *à fond perdu* to the tune of altogether over 300 million ECU.

President. — Mr Härlin, I am afraid I have to stop you, because you are giving us a paragraph and not a sentence. You have gone well over the time which is officially allocated to you.

Mr Aigner (PPE), chairman of the Committee on Budgetary Control. — (DE) Mr President, I am afraid I am obliged to point out that the rapporteur has here not been presenting the opinion of the committee and is also not entirely covered by the resolution. What he has offered in his oral presentation mainly represents his own views, which are not in every respect backed up by the committee.

Mr Rogalla (S). — (DE) Mr President, without wishing to make any criticism of your decision, I should nevertheless be interested to know on what basis you are calculating rapporteurs' speaking-time on this Friday, for according to what I have here, more particularly the agenda for this week, there are no special provisions for Friday, so that the usual practice applies of allowing a rapporteur to speak for 10 minutes.

President. — Mr Rogalla, it is a convention of the House that on a Thursday and Friday the rapporteurs have five minutes and not ten. That was the convention which I was following.

Mr Christophersen, Vice-President of the Commission. — (DA) Mr President, I will try to be fairly brief, but there are after all two important questions we have to discuss in connection with these two reports.

If I may begin with the question of the ECSC's reserves and the way in which the ECSC endeavours to maintain its creditworthiness, I must stress that the ECSC to a large extent functions in the same way as a bank and thus places quite considerable funds in the form of loans. One of the criteria for the granting of these loans is that they should go to firms in relatively weak positions, in other words the ECSC's debtors are clients in relatively unfavourable circumstances. This imposes quite special requirements in respect of the security by which its lending activity must be backed.

We realize of course that the reserves should not be too large, and we endeavour to keep a watch on the total size of the reserves. But I must point out that, for the present, they are only about 5%. This is a level lower than the ratio of reserves to total loans required, for example, in certain Member States. Since the ECSC also has to operate on the capital market, the way in which it is viewed by international credit-rating institutions is also relevant to the Coal and Steel Community. It is relevant, for example, if the American rat-

Christophersen

ing institutions award the ECSC a triple-A or a double-A rating, or if we drop back one day to a mere B or C. It is very important for us to maintain our creditworthiness. We are therefore naturally concerned to keep the size of the reserves under constant review. We do not want them to be larger than necessary, but for the moment the level is very slightly below that current in certain Member States. Moreover, following on from Mr Härlin's report I can inform you that the Commission has decided to undertake a more thoroughgoing investigation both of the size of the reserves and of their appropriateness.

We then come to the second question raised by Mr Bardong in his report. I think that is the most important of the two problems we are discussing today, because it is a quite specific question which the Commission, as the budgetary authority, must deal with after this debate. It concerns in the first instance the rate for the special levy to be applied in the coming year.

I should like to say a word or two on the strategy adopted for the Community's involvement in the coal and steel industries. This strategy, decided in 1981, was based, as far as I can remember, on three requirements: to begin with, increased resources were to be allocated first from the Member States and then, in 1981, from the general Community budget. That was something new and very important, and I shall return to it later. From 1981 then, money had to be provided from the general Community budget. Secondly, perhaps somewhat symbolically, a further contribution was to be provided from the Community, or more correctly from the firms themselves, through an increase from 0.29% to 0.31% in the rate of the special levy applying at the time. And finally — this was the third element — there was to be a strict limit on the rise in all expenditure over and above what was required for social purposes. In the social field, the opposite was the case: there was an increase in the funds to be allocated. This combined strategy of course resulted from the difficult situation prevailing in the social and employment field, from the need for restructuring and from the problems Member States were faced with in purely budgetary terms.

This strategy enabled the Community to play an important role in helping to bring about the readjustment needed in the coal and steel industries. I will not give you a whole series of figures right now — I could do so, but we do not have much time. However I must stress what is a constant problem for the Commission as the budgetary authority. It is the need to obtain authorization from the Council each year to transfer funds from the general budget to the ECSC budget. This is an important element for us in the entire strategy; along with the Commission, therefore, I am opposed to Mr Bardong's proposal to reduce the rate of the levy. It is the wrong signal to give, both to the Council and to public opinion in this situation.

The Council, for example, has before it a request from me for the transfer of 122.5 million ECU from 1985 from the general budget. It will thus be much more difficult for the Commission to convince the Council that this money is needed, if at the same time I have to tell it that Parliament is compelling the Commission to reduce the rate of the levy. How on earth can I argue in favour of that?

It is also much more difficult to say that there is a need for development programmes for research and technology in the steel sector, when at the same time we are weakening the financial basis. The consequence of a reduction in the levy will be not only that we have to cut back on low-interest loans, but also that we have to reduce our research appropriations. I think that this proposal puts the Commission in an almost impossible situation. It will make it more difficult to convince the Council, and it is absolutely the wrong signal to give. I do not think that it tallies in any way with the signal we sent to the Council yesterday on general Social Fund policy. There is a lack of coherence here. If we really want to convince the Council that there is a need for a social policy effort, we cannot one day make a substantial increase in payment resources for the Social Fund and then the next day say to the Council that we do not really think it necessary to transfer funds to the ECSC budget from the general budget — that does not make sense.

I must therefore urgently appeal to Parliament to adopt the amendment involving a retention of the 0.31% rate. Then I have a hope of convincing the Council that we should transfer the 122.5 million ECU, and the ECSC budget will still have resources to increase the research effort and hence to enhance the possibilities for a forward-looking policy in this very important area.

Miss Quin (S). — Mr President, I shall be very brief, because I agree with much that the Commissioner has just said.

The Socialist Members on the Committee on Budgets have voted against the recommendation in the Bardong report concerning the levy, and the Socialists as a whole feel strongly that the financial resources of the ECSC should not be restricted but should be organized in such a way as to permit additional measures in areas such as social and employment policy. We very much hope that the amendment tabled in my name will be accepted and that the House will vote to keep the levy at its current level. It should be pointed out that the Committee on Economic and Monetary Affairs, of whose opinion I was the author, the Social Affairs Committee and also, I understand, the Budgetary Control Committee all recommended that the levy should be maintained at its current level. Even in the Committee on Budgets, the vote was very narrow indeed. I think it was something like 7 votes to 6 in favour of Mr Bardong's proposal. So I think that the

Quin

majority of Members in the House are likely to support the levy at its present level.

Of course, it is true that the ECSC has substantial liquid assets and we agree with the idea of the review of the independent body. But we also believe that the money is used for very valuable, worthwhile social and employment purposes, and we do not want to see these schemes hit at the present time.

(Applause)

Mr Welsh (ED), Chairman of the Committee on Social Affairs and Employment. — Mr President, the Social Affairs Committee produced an opinion on the Bardong report and put forward the view, as Miss Quin has already said, that the levy should be retained at its present level. Since I signed that opinion, I think it is important that it should be on the record that that was the opinion of the committee. I do not wish, in any way, to disturb arrangements that my group has entered into with the rapporteur or suggest to colleagues that they should vote differently from their colleagues on the Budgets Committee. However, I wish to make it clear that I personally shall support Miss Quin's amendment, partly because that is the view of my committee and partly because I think it is an extremely dangerous principle to cut the levy at a time when the social problems of the steel sector are as great as ever. I think that if this principle were sustained, it could open up a whole lot of dangerous precedents.

Mr Härlin (ARC), rapporteur. — *(DE)* Mr President I am afraid I have only just found out about this trick with the group and the rapporteur, but I will really keep it short. I wanted, first of all, to refute Mr Aigner's intervention: it is not true that I went beyond what was written in my report. Secondly, I wanted to point out that our group also does not consider a reduction in the levy rate advisable in the situation as it is at the moment. Thirdly, I wanted to say to Mr Andriessen, it is by no means contradictory to vote on the one hand for more social measures and, on the other, to insist upon checking what is actually done with the money that has been appropriated for these social measures. As long as it brings in interest for the ECSC, those are not social measures, Mr Andriessen, that is horse-trading. In that case, the money is better placed in Community structural funds than in the ECSC.

Finally, I should like to make another point in my capacity as rapporteur. A mistake has occurred in paragraph 1 of my resolution. The Parliament does not look forward to the Commission's decision with regard to the examination of this triple-A rating but to the results of the examination that has already been decided upon. That is a pure error of translation which I wanted to point out for completeness' sake.

President. — The joint debate is closed. We proceed to the vote on the report by Mr Bardong.

Miss Quin (S). — I ask you to establish whether or not a quorum is present.

President. — I will put the *aide memoire* to the vote. We shall then see whether we have a quorum.

Mr Ford (S). — Mr President, I do not see how you can put anything to the vote if you intend to check whether there is a quorum present.

President. — Mr Ford, under the Rules, the way we establish the quorum is to take the first vote. The result is not announced, but it enables us to establish the number of Members in the House. That is the way the quorum is checked. I am therefore asking for those in favour of the *aide memoire* to vote now.

(The President established that a quorum was not present)

I understand that we can vote on the Härlin report.

(Parliament adopted that resolution)

7. Scrutiny by Member States of financing by EAGGF

President. — The next item is the report by Mr Marck, on behalf of the Committee on Budgetary Control, on the follow-up to the special report of the Court of Auditors on the implementation of Directive 77/435/EEC of 27 June 1977 on scrutiny by the Member States of transactions forming part of the system of financing by the EAGGF (Guarantee Section) (Doc. A 2-134/85).

Mr Marck (PPE), rapporteur. — *(NL)* Mr President, this report concerns the scrutiny of transactions forming part of the system of financing by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund. I do not need to stress the importance of the Fund, which accounts for the largest proportion of expenditure under the common agricultural policy. Its importance can also be judged by the attendance today.

One of the priority tasks this Parliament and more specifically its Committee on Budgetary Control has to perform is to ensure that transactions are made correctly and to exercise control with a view to exposing and curbing frauds and irregularities. This enables not only substantial sums to be reclaimed but also regulations and directives to be improved and adjusted.

Marck

One of the basic directives in this area is Directive 77/435, which seeks to ensure that transactions are carried out properly by requiring systematic, representative, comprehensive scrutiny in addition to the checks made by the Member State itself. The excellent report by the Court of Auditors shows that the Member States have failed dismally in their duty in this respect: the control techniques are weak and inefficient and do not comply with the directive. In some cases, financial flows have not been checked, and information in the possession of third parties has not been scrutinized. Where public storage is concerned, most Member States take into account only selling operations at reduced prices, which they regard as subsidies. Almost all exclude public purchase and storage operations. Furthermore, the Member States differ in their interpretation of the directive, which gives rise to distortions.

The total number of irregularities reported and the sums involved have risen since the directive entered into force, but here again the situation differs substantially from one country to another. In 1983, for example, 167 irregularities involving 11 m ECU were reported. 124 of these occurred in the Federal Republic of Germany. Can it be concluded from this that most cases of fraud occur in the Federal Republic? Far from it. The only correct conclusion is that the Federal Republic is most active and most efficient in exercising control. A far more careful watch needs to be kept on countries reporting few cases of fraud, because they have applied the directive far less strictly.

The Committee on Budgetary Control has drawn up proposals for improvements, which I will now briefly summarize. First, the scrutiny of commercial documents should continue, but it should be supplemented by physical and administrative controls. Second, the Commission should encourage uniform application by the Member States and itself take action in the event of non-compliance. Third, Member States failing to apply the directive or to apply it strictly should be held financially responsible for the consequences of cases of fraud which they have not investigated with the necessary vigour. Fourth, the directive should be applied to transactions connected with public storage and to samples of operations involving less than 100 000 ECU. Fifth, frauds and irregularities should be publicized: a European pillory should be introduced. Sixth, there should be a clear-cut division of the powers of the Commission and the Member States, with the Commission having flying squads and enough staff to ensure controls can be carried out. And finally, the Court of Auditors is requested to pay special attention to cases of fraud in its annual report.

Those, Mr President, are the conclusions drawn by the Committee on Budgetary Control. I hope Parliament will be able to approve this report.

Mr Schön (PPE). — (DE) Mr President, ladies and gentlemen, I want to be brief, because there is nothing

to add to Mr Marck's explanations. I should only like to go into a few points.

First, it is incredible that those who themselves should be checked should do the checking. The result is that a Member State which is supposed to keep an eye on the irregularities committed by its own administration has not the slightest interest in doing so, since it is glad if its money remains within its own frontiers.

Secondly, as the chairman of the Committee on Budgetary Control, Dr Aigner, but also my own group, have always demanded, those subject to inspection should be kept separate from the inspectors by our creating something like a flying squad. We have already discussed this with the former financial commissioner. It should be possible to enable the Commission to do this with the help of what we call a 'flying squad'.

Thirdly — and I am grateful to Mr Marck for this point — the States that really carry out inspection are the ones to be pilloried. The others are the wise guys, because they leave things as they are. That sort of thing cannot be allowed to continue. I am speaking now not in any national interest but in the interests of the Community. I therefore beg you, Commissioner Christophersen, to do everything to make feasible this demand for a system of objective inspection, to be carried out by your own institution, by way of a flying squad.

Mr Christophersen, Vice-President of the Commission. — (DA) Mr President, I should first like to thank Mr Marck for his report. I do so because I entirely share the view that there is a constant need for the Community budget to be protected from the type of fraud and irregularity referred to by the rapporteur in the first section.

The Directive, which introduces a system of checks on what happens when the actual transactions take place, of course plays an important role in this connection. The Commission is therefore happy with the report of the Court of Auditors, which contains a detailed study of the implementation of this Directive in the Member States. For that purpose visits were paid to the Member States in order to discuss the details surrounding the implementation of the Directive. In a number of cases the Commission has made some suggestions. We note today — and I think that this is important — that there has been a fair amount of progress since we received the report from the Court of Auditors and the Commission made these suggestions. It means to begin with that all the Member States now apply the Directive and that, secondly, there have also been improvements in its application.

I have some comments to make on individual points in the resolution itself; I will do so very briefly. With regard to points 4 and 5, the Commission agrees with

Christophersen

the rapporteur that a combination of administrative and physical controls is right, supplemented by follow-up controls on accounts.

With regard to points 6 and 7, we agree with the rapporteur that it is necessary to take legal steps in conjunction with the implementation of the Directive. The Commission has already done so in respect of five cases, and here the Member States concerned took the necessary decisions to observe the terms of the Directive. Thus in the end we did not need to go the full distance through the legal process.

I would point out in this connection that, although the Member States are already obliged under the existing rules to take financial responsibility for losses due to irregularities or negligence, the Commission is looking at more effective ways of recovering Community funds paid out on unlawful claims. It is not enough that the Member States should be prepared in specific instances to pay for irregularities; as a matter of principle, those who have unlawfully received money to which they are not entitled must be compelled to pay it back.

Then there is point 8. It is not a question of a need for staff. We allowed for it in our draft budget for 1986. It has also been accepted by the budgetary authority, but clearly we are keeping an eye on the situation, because problems are bound to arise on the enlargement of the Community to include Spain and Portugal. That is something we are keeping under constant review.

Then there are points 15 and 16. Here I would refer you to the annual report of the EAGGF, which contains general information on the implementation of the Directive, and in that connection I can confirm that we shall continue to keep the Committee on Budgetary Control informed on matters of special interest, so that it can effectively monitor the application of the Directive. In addition there is the question of the "flying squad". I should like to say that we are also looking into that proposal. Clearly it raises some legal implications in a number of Member States. We know that. But it is a question the Commission would like to be able to return to. We think that the proposal is of a quality such that it deserves to be examined very closely. All things considered, it is a question of a more general nature. How do we get the administrations of the Community and the Member States to work together considerably more effectively in a wide range of fields? I think, Mr President, that those are the comments I wished to make on this occasion.

President. — The debate is closed.

(Parliament adopted the resolution)

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Mrs Weber (S). — *(DE)* Mr President, I would ask you to see that the reports that could not be debated and voted upon today are put on the agenda for the *Monday* of the next part-session, to avoid a repetition of the usual practice that those reports which could not be dealt with on the Friday and on account of which Members have sat out to the very end are again put on the Friday's agenda and the same game begins all over again. These reports should therefore, please, be put on the Monday's agenda!

(Applause)

President. — Mrs Weber, I cannot give you that assurance. All I can say is that when the chairmen of the political groups meet to discuss last-minute changes to the agenda, your request will be before them.

Mr Aigner (PPE). — *(DE)* Mr President, the House is sovereign, and I therefore ask you to put to the vote a motion to the Bureau that those items on the agenda which could not be dealt with today should be put on to the agenda for the Monday and Tuesday of the next part-session.

(Applause)

President. — Mr Aigner, you will be able to do that anyway on the Monday when the agenda is fixed for the January part-session. However, I have already said that I will put this request from Mrs Weber to the leaders of the political groups for them to consider. If they do not accept it, then you will have the opportunity to raise it when the agenda is fixed on the Monday at the beginning of the next part-session.

Mr Aigner (PPE). — *(DE)* Mr President, the House is also sovereign with regard to the decisions of the Bureau. If the House today decides that we want to carry on with this agenda on the Monday, the Bureau is also bound by that decision. May I give you a reason by way of justification, Mr President: one may well despair of the Bureau of our own Parliament when one finds that the right of inspection or control — one of the few truly active rights that the Parliament has — is held in such disregard that the problems of control are continually dealt with on a Friday, at the end of a part-session, when a public is no longer to be found. How the Bureau of Parliament here ignores its own rights is turning into a scandal.

(Applause)

President. — Mr Aigner, I would like you to listen to this very carefully. I have already said that if these reports are not down for the Monday part-session you as a Member of this House, along with all the other Members who want to change the agenda of the Janu-

President

ary part-session, will have that opportunity to change the agenda on the Monday. We do not have the right today to fix the agenda for the January part-session. That will be done under Rule 55 on the Monday when the part-session starts. If you would like to consult Rules 55 and 56, they will tell you how the House itself can change the agenda of a part-session.

Mr Schön (PPE). — (*DE*) Mr President, I want to support Mrs Weber and especially Dr Aigner: this is not only a formal matter of the agenda. Our Bureau should make it clear, in public, that if we fight for an extension of Parliament's sphere of competence, we declare at least the few rights that we have to be important. I am of the opinion that rights of inspection or control are among the most important rights of this Parliament. Parliaments have been invented to supervise those who handle the money of the tax-payer, and I consider it intolerable, Mr President — this I would ask you to bring up for discussion in the Bureau, in the interests of us all — that we do not give a proper place to the rights that we have. It is a sorry picture: we exercise surveillance over a gigantic bureaucracy and a large budget with 15 bods. That cannot go on much longer. I refuse to accept it, and so this is for me no formal matter of order of business, but a political problem over whether we take ourselves seriously.

Mr Turner (ED). — Mr President, may I second the proposal put forward by Mr Aigner and may we have an electronically recorded vote on it, with all our names inscribed in gold letters so that they know exactly who was here at the end — amongst whom are two rapporteurs, Mrs Boserup and myself?

There is nothing wrong with that. We shall just have voted to support Mr Aigner's proposal.

President. — Mr Turner, I think the best way we can deal with this now, because I am going to leave the Chair very shortly and then you won't have a President at all, is that we take a vote, but I want to emphasize to Members that whatever you vote now will be subject to Rules 55 and 56 of our Rules for setting the agenda at the beginning of a part-session. I have had a request for a roll-call vote. I am afraid that it has not come from a political group. I have not had it in writing either.

We shall now vote on the proposition that all the reports not taken on today's agenda will be on the agenda for the Monday of the January part-session.

(Parliament adopted the proposal)

That is a unanimous vote. But it will, of course, still be subject to Rules 55 and 56 on the Monday of the January part-session.

Mr Prout (ED). — Mr President, I just want to raise a brief point on the establishment of a quorum. We got into a bit of a muddle this morning about it, and it is not surprising, because the Rule is unhelpful. We cannot use an electronic check to establish a quorum, quite rightly. It seems equally futile to use a show of hands, because certain Members present may choose not to raise their hands. I think therefore that we must make it absolutely clear in the interpretation that the only way to establish a quorum is for the Chair to count the Members who are here. That is not made clear in the interpretation and I think the Committee on the Rules of Procedure and Petitions ought to be seized of the problem.

President. — I can assure you that although I asked for a show of hands, as indicated in Rule 71, we did, in fact, count all the Members in the Chamber and found that the number was not sufficient for the quorum. But I take your point. It is not absolutely explicit in the Rules, and I will see that it is referred to the Rules of Procedure Committee to tighten up the wording of this particular Rule.

Mr Prout (ED). — Mr President, I want to make it clear that it was in no way a reflection on the way you conducted the business this morning. But I think the way in which you had to conduct it put you in a difficult position.

8. *Adjournment of the session*

President. — Before I declare the session of the European Parliament adjourned, I wish all those Members who have stayed to the very end and all of the staff who are here as well a very happy Christmas. I see that Father Christmas is on the monitor, so enjoy yourselves over the holiday.

*(The sitting closed at 1.20 p.m.)*¹

¹ For items relating to written declarations under Rule 49, forwarding of resolutions adopted during the part-session, and the dates of the next part-session, see the Minutes.

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