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from 12 to 16 December 1983

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IN THE CHAIR: MR DANKERT

President

(The sitting opened at 4 p.m.)

1. *Resumption of the session*

President. — I declare resumed the session of the European Parliament which was adjourned on 18 November 1983.¹

Mr Cottrell (ED). — Mr President, it is a question which I think will fall conveniently at this time. As President, when do you think it will be convenient for you to make a statement to the House on behalf of the Bureau with regard to the information campaign to be pursued by Parliament as distinct from the

groups? I hope it will be sometime this week. I should be particularly interested in hearing a statement from the Presidency on the plans for that information campaign and the amounts to be spent upon it.

President. — Mr Cottrell, I do not think this is a matter for discussion in plenary sitting, at least in this way. You will receive the Minutes of Proceedings of the Bureau meeting, which will contain full information concerning such a campaign. You will have seen or heard of the decisions of the Committee on Budgetary Control concerning the amounts, and if you raise that question under Rule 25(2), the Bureau will be fully prepared to give you all the information you require.

Mr Cottrell (ED). — Mr President, thank you for that statement. However, I wonder whether you are prepared to give an undertaking that it would be right and proper for the House to discuss that campaign.

¹ Approval of Minutes — Membership of Parliament — Membership of committees — Motions for resolutions (Rule 49) — Petitions — Transfer of appropriations — Authorization of reports — Referral to committee — Documents received — Texts of treaties forwarded by the Council: see Minutes.

President. — Mr Cottrell, on this point I would say that the Bureau has taken its decisions in response to a resolution tabled some time ago by the Committee on Youth, Culture, Education, Information and Sport and adopted by this House, calling for an increased effort by the European Parliament as an institution to start an information campaign. That was the origin, and further details of course fall within the competence of the Bureau.

2. Agenda

President. — At its meetings of 16 November and 2 December 1983 the enlarged Bureau drew up the draft agenda which has been distributed.

At this morning's meeting the political group chairmen instructed me to propose the following changes.

(The President read out the changes to the agenda)¹

Mr Balfe (S). — Mr President, I would like to refer to Thursday afternoon's agenda, 'the formal sitting' as it is put down here. Last week I visited your office in Brussels to enquire as to what arrangements, if any, would be available for Members of this Parliament to meet with, if not the King himself, then officials with him, in view of my own interest, having been in Jordan in September. In the present situation with regard to the PLO and Lebanon, I was surprised to be informed that there were no arrangements for anyone to meet either the King or any of his advisers during the time that he was in this Parliament. He would solely be addressing Parliament and that was all.

Can I ask, Mr President, whether, since that date, any possibilities have arisen for those of us who are interested in Jordan to meet with the officials or with part of that delegation?

President. — Mr Balfe, I have to point out that this concerns the solemn session, so it does not fall within ordinary parliamentary procedure. Arrangements have been made in the first place for a dinner on the evening of Thursday to which, among others, the members of the Mashreq delegation are invited. Secondly, arrangements have been made for a meeting of the leaders of political groups with the King. So I think we have done all that was possible in this context. This does not of course exclude contacts of other Members with the suite of King Hussein, but it is not for me to arrange that.

Mr Balfe (S). — Mr President, whilst I am quite happy to forgo the prospect of food, can I ask that your good offices might at least be invoked to include me in one of the meetings at which the discussions take place about the current state of Jordan and its foreign relations?

¹ See Minutes.

President. — I will see what we can do, Mr Balfe.

Mr Collins (S). — In fact, just as you have been speaking, I think I have seen the answer to the question that I was about to raise. I would like to share it with Parliament none the less.

At the last part-session an oral question on behalf of my committee was taken off the agenda because, apparently, the Greek President-in-Office of the Council was unable to attend. I was assured by the Chair that it would appear on the agenda this time round. That seemed a reasonable proposition because the oral question was on consumer protection and it was coming the day after the Council meeting on consumer protection. Last week I was informed that it was likely that this was going to be taken as a question at Question Time. Now, while I think that questions at Question Time are reasonable, the original request was for an oral question with debate so that we could thrash out in this Chamber the inadequacies of the Council's performance over the years on the question of consumer protection. I appreciate the difficulties that the Bureau has had in drawing up the agenda. I see that it is now down as Question No 1 and I am prepared to accept that but, I do think that in future it would be very helpful if adequate time were left for this simply because it is one of those notable areas in which Council has been inadequate. Indeed, if I may quote a Commissioner two weeks ago in commenting on another Council meeting he said: 'We had a very successful Council meeting — we nearly made a decision'. If this is to be the standard applied, Mr President, I must say that I am not entirely happy.

President. — Mr Collins, tomorrow we must use the time available for a debate on the Athens Summit. That is why the enlarged Bureau proposed to convert your question with debate into an oral question for Question Time with the undertaking that the resolution appended to your question could be voted on during the debate on urgencies. So I think we have done the maximum to ensure that. We did exactly the same thing with Mr Sieglerschmidt's question concerning the right to vote of citizens of the Community. That will also be dealt with in Question Time, but there is a possibility of voting on the resolution during the debate on urgencies. This is the only way we could cope with the problem in this difficult week. Otherwise we would have to postpone the item for an indefinite period. I think that would have been undesirable too.

Mr Enright (S). — Mr President, what consideration has the Bureau given to the question of the possibility of a strike by the freelance interpreters? That problem may have been solved during this week as a result of some statement made by the Presidency. I would be interested to hear what agreements have been made, if any.

President. — Mr Enright, you know as well as I do that it is very difficult to deal with this kind of question in a plenary session. You cannot negotiate here. The enlarged Bureau will deal with the matter at its meeting on Wednesday; at least that is the present arrangement. In the past we have taken certain decisions concerning the freelance interpreters, and further discussions will proceed along the same lines.

Mr Collins (S). — Mr President, on a related matter, is the enlarged Bureau aware of the difficulties caused by the structure of the negotiating machinery being employed here and by the reluctance of some parties to the agreements to negotiate at all, thus placing the freelance interpreters in a very difficult position so far as their purchasing power is concerned?

President. — It is a problem we cannot debate in the House. We have to debate it with the competent authorities, in this case the enlarged Bureau. I fully appreciate your problem, but it is impossible to discuss it here.

Mr Seligman (ED). — Mr President, may I ask, on behalf of the Committee on Energy, Research and Technology, whether you are going to propose including the Normanton report on Thursday's agenda? This concerns conciliation with the Council and is very urgent.

President. — It has been proposed as an urgency, so we have to vote on it, Mr Seligman.

Mr Saby (S). — (*FR*) The Bureau has agreed to include on Friday's agenda the report by Mrs Pery and Mr d'Ormesson on fisheries problems in the context of the Community's prospective enlargement. Would it not be possible, Mr President, to put it on Wednesday's agenda, with the vote on Thursday? Wednesday would be advisable for two reasons: first, because three agricultural reports are already included for that day; second, because on Wednesday the European Parliament-Cortès delegation will be present and I think it would be most interested in these reports. If, therefore, we could change and put this debate down for Wednesday we would have a better attendance.

President. — Yes, Mr Saby, I wanted to make this very proposal since, pursuant to Rule 56 of the Rules of Procedure, the Committee on Agriculture has requested the inclusion, for joint debate, of the Pery and d'Ormesson reports.

Mr Bournias (PPE). — (*GR*) I will support that. On Friday, we Greek Members are leaving at an hour which will preclude our participation on a subject that concerns our country. I therefore request that the debate should take place on Wednesday and not on Friday.

President. — Mr Bournias, I propose, as did Mr Saby a moment ago, to enter the Pery and d'Ormesson reports for Wednesday, after the other reports on agriculture and fisheries.

(Parliament agreed to the President's proposal)

The joint debate is thus entered on Wednesday after the Colleselli report.

Mr Seefeld (S). — (*DE*) Mr President, may I ask, on behalf of the Committee on Transport, for the Carosino report to be debated on Wednesday along with the other issues relating to transport policy. This report concerns progress towards a common transport policy and the Council of Transport Ministers wants to...

President. — Mr Seefeld, excuse my interrupting you but the urgencies will be voted on tomorrow.

Further to the decision of the enlarged Bureau of 2 December 1983, I propose that the Assembly hold an additional session in the period 26-30 March 1984.

The deadline for tabling amendments to this proposal is set for tomorrow, Tuesday 13 December 1983 at 12 noon.

The vote will take place on Thursday morning before the budget vote.

Mr Forth (ED). — Mr President, can you confirm that if one simply does not want any extra part-session, one need not table an amendment but should simply vote against it? Would that be sufficient?

President. — Yes. I suppose so.

Mr Harris (ED). — Mr President, I might have missed it, but I did not hear any explanation of why we are supposed to be having an extra part-session. Could we have an explanation?

President. — I could easily give you an explanation justifying five extra part-sessions, because the situation at the moment is that in the committees there are 270 reports in preparation. I wrote today to the chairmen of the committees asking them to try and find means of not having to discuss all these reports in the House, because that would be impossible between now and the European elections. At the same time, in March we are confronted with the situation that the report on the launching of the Community's economic programme will be ready, and we also have to fit in a debate on agricultural prices. It is absolutely impossible at this moment to foresee whether the debate on agricultural prices can take place during the normal part-session in March or whether it has to take place in an extraordinary part-session. That is why I would not be too precise about the contents of the extraordinary part-session. What is sure is that we need one in order to cope with the debate on the Community's economic programme.

Mr Hord (ED). — Mr President, before the House embarks on considering whether an additional part-session is required in March or any other month next year, would it not be more appropriate for the Bureau to investigate very closely the very high incidence of own-initiative reports being generated in committees? It seems to me that this is the principal cause of overload at part-sessions.

President. — Mr Hord, the enlarged Bureau decided already last week not to authorize any of the own-initiative reports requested. However, as I said, there are at the moment 270 reports underway and the number of part-sessions between now and April is very low. I am not taking the May part-session into account, because I think that should be reserved for consultations.

Mr Harris (ED). — Mr President, while welcoming very much the decision of the enlarged Bureau not to give permission for any more own-initiative reports, surely, with respect, this situation could have been foreseen some time ago and surely the enlarged Bureau should have withheld permission for all these reports — or for most of them — and so avoided this quite ridiculous backlog.

President. — Mr Harris, there is a problem with Rule 47, as you know.

Mr Cottrell (ED). — Mr President, I am not quite sure that own-initiative reports are quite as bad as some of my colleagues would paint them. It is not because I am responsible for at least two of the 270 which you have mentioned, but I do plead special interest there. That was not my point. I was just being provocative, Mr President. What I wanted to ask was: may the amendments which you referred to with regard to any potential special part-session refer also to the place where that special part-session might be held?

President. — The enlarged Bureau's proposal covers only the date, because we have worked on the assumption that in general the plenary sittings are held in Strasbourg. If you want to change that for this special part-session, you will therefore have to introduce a resolution.

Mrs Castle (S). — May I ask how many of those 271 reports are own-initiative reports? If they are all own-initiative reports is it not intolerable that we should all be brought here for another extra part-session because the agenda of our normal part-sessions has been crowded out by less urgent business than that to which you referred?

President. — Mrs Castle, as I said, if we had to deal with all those reports during ordinary part-sessions, I

should have to ask for five extra part-sessions. So you cannot link the problem of extraordinary part-sessions with the problem of own-initiative reports. As I said, the extraordinary part-session is, in the main, motivated by two elements, of which we do not know at this moment which one will be predominant in March: the debate on the relaunching of the economy of the Community or the agricultural prices debate. It depends at the moment of introduction on the rhythm of work of the Committee on Agriculture whether we can deal with that problem during the ordinary March part-session or only during the extraordinary March part-session.

Mrs Castle (S). — May I please have an answer to my question? Are all the 271 outstanding reports now going through committee own-initiative reports?

President. — You will have to forgive me, Mrs Castle. I only know that there are 83 consultations going on at the moment, so I suppose the rest have a lot to do with the initiative of the parliamentarians. I will check that and let you know in writing.

Mr Pearce (ED). — Mr President, do you not accept that this serious situation arises from misplanning of agendas during the time that we have been together in this Parliament? Will you not now resolve that, in future, the attention of this House will be directed primarily to submissions from the Commission which we are supposed to examine; and will you give us a guarantee that this special session, if it is held, will be devoted to reports submitted by committees and not to extensive philosophical debates and that the 83 requests for consultation by the Commission should be given priority in the selection of the agenda? Will you guarantee that and will you tell us your position before we are asked to vote?

President. — Mr Pearce, I am not ready to do that at this moment for the very simple reason that it is quite possible that at the extraordinary session we shall have to take the agricultural price debate. But it is also possible that that problem can be dealt with during the ordinary March session. Furthermore, a number of for issues scheduled for the ordinary March session will then have to be decided in the extraordinary session. So, I cannot give that full guarantee at this moment since in politics one can never give any such guarantee so far ahead.

With the agreement of the chairman of the Committee on Budgetary Control, the rapporteurs, Mr Key and Mr Kellett-Bowman, propose that the reports which appear as items 290 and 318 on the agenda be taken without debate. If the House agrees I shall move them to Friday morning as it will only be necessary for the House to vote on them.

No objections for this good news?

Mr Hord (ED). — Mr President, I am conscious that time is always against us but it would help us if, when items on the agenda, particularly in such an instance as this, are referred to, we could have a resumé of the subject matter.

President. — Mr Hord, Mr Key's report concerns the action taken on the discharge for the 1980 financial year and Mr Kellett-Bowman's report concerns his, I would say, perpetual activities regarding the decentralized agencies of the European Community — Dublin, Berlin and others.

Mr Hord (ED). — In respect of report No 290 by Mr Key, concerning the action taken on the discharge decision in respect of 1980, most Members will recall that there was a considerable degree of controversy over the particular situation concerning the 1980 discharge, and it does seem to me that Parliament would be right to maintain the position of that particular report on the Thursday agenda. That is certainly my view, and I hope that Parliament will agree to retaining item 290 in its present position. In respect of the item 318, I personally have no objection to it being transferred to Friday.

President. — I only asked if there were objections because if there are objections I would not propose that we handle it without debate. So I think that on the basis of your observations we can conclude that we deal with Mr Key's report on Thursday as scheduled with debate, and we move Mr Kellett-Bowman's report to the Friday morning without debate only for the vote.

(Parliament adopted the agenda thus amended)

3. Deadline for tabling amendments

President. — I propose that we set for 12 noon tomorrow the deadline for tabling amendments to all the new items entered on the agenda.

Are there any objections?

Miss Hooper (ED). — Mr President, you mentioned earlier that we would be dealing with Mrs Lentz-Cornette's report on mercury. None of us yet have had an opportunity to see her revised report: I do not even know if it is available. I think it is almost impossible, as far as this particular report is concerned, to table amendments by 12 noon tomorrow.

President. — It will, I hope, be available during the course of the day. If that is not the case we shall have to review the proposal.

Mrs Lentz-Cornette (PPE), rapporteur. — *(FR)* Mr President, I find it astonishing that there should be a request for time to table amendments, especially as the only amendments have been mine. Of course, anyone can table them, but in view of the urgency of

the matter and of the Council on environmental issues on Friday I should like this report to stay on the agenda.

President. — I appreciate your position, Mrs Lentz, but at the same time I must point out that Members must be allowed the right to table amendments which they cannot do without seeing the text. We must therefore arrive at a compromise.¹

4. Action taken by the Commission on the opinions of Parliament

President. — The next item is the communication from the Commission of the European Communities on the action taken on the opinions and resolutions of the European Parliament.²

Mr Herman (PPE). — *(FR)* Does the Commission envisage modifying its document in the light of Parliament's amendments? More particularly, what does it intend to do about the amendment to Article 19 which concerns the Member States' support for the draft decision?

I also want to ask the Commission whether it has approached the Council Presidency in order to speed up work in the first half of next year.

Mr Andriessen, Member of the Commission. — *(NL)* As my colleague Mr Tugendhat said during the debate, when I was speechless, having been deprived of my voice by a cold, the Commission is prepared to incorporate the vast majority of the amendments adopted by this Assembly.

As regards the amendment to Article 19, which refers to the role which the Member States could or should play in assessing concentrations of undertakings, I should like to say the following.

The Commission appreciates that the object of Parliament's proposed amendments was to prevent the role played by the Commission in enforcing the competition rules from coming under pressure and from being shared with the Member States, and the Commission fully agrees with Parliament in this. The Commission's proposal is that, if it emerges that agreement cannot be reached, the Member States should be consulted a second time in the committee responsible to ensure that the assessment of such concentrations at national level does not differ from the assessment at Community level. But the Commission has explicitly reserved the right to take the final decision itself. However, as it has become clear in the nine or more years we have been discussing this matter that there is no chance of progress being made if this consultation is not included and as the Commission attaches greater importance to the adoption of this

¹ Speaking time: see Minutes.

² See Annex.

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regulation than to this specific point, it feels that, while Parliament's viewpoint should be discussed, it should not form part of the formal amendment of the regulation at this stage. With a view to making progress in this matter, I intend to make contact with the French Presidency very shortly. Steps have been taken to this end.

Mr Chambeiron (COM). — *(FR)* I should like to ask the Commission whether it has already envisaged measures in favour of the drought-stricken countries of the Sahel in application of the resolution voted by this Assembly on 17 November last. If so, what are they?

President. — Mr Chambeiron, I do not think that within the terms of the agreed procedure this concerns a consultation. It is difficult for the Commissioner now present to give an answer and I think this matter should be raised with Commissioner Pisani in the Committee on Development and Cooperation.

Mr Chambeiron (COM). — *(FR)* Mr President, may I nevertheless remind you that the item on the agenda is 'Action taken by the Commission on the opinions of Parliament'. This concerns a resolution which was voted by the European Parliament. It may be that the Commissioner is not in a position to give us an answer, but I should still like an answer to be given in the course of this part-session. That would seem to me to be entirely within the spirit of this item of the agenda.

President. — Mr Chambeiron, it was decided not long ago to restrict Commission replies to resolutions voted at the previous part-session and to try to find answers to the other questions in the competent bodies, that is, the parliamentary committees. Consideration of these problems on a Monday rules out the presence of all the relevant Commissioners on all the various questions. A choice has to be made, and this has resulted in the present procedure. This also enables the committees to do what is needed for relations between Parliament and the committee to function properly. Your interpretation of the text is correct.

Mr Enright (S). — We did, however, at the last part-session discuss Kampuchea and aid thereto. I see from the report that there is no reaction to this and it is not only Commissioner Pisani who is responsible in this case. I would just like to know what assistance, if any, the Commission intends to give to the United Nations Children's Fund in Kampuchea itself, as opposed to the border camps.

President. — Mr Enright, I have to say again that this is exactly the same problem as that posed by Mr Chambeiron, and we have to find the answer through different procedures than this one. Here we only

discuss on Monday consultations and the progress concerning those consultations in the past few months. The other resolutions have to be discussed in the committees.

Mr Van Minnen (S). — *(NL)* Mr President, perhaps I shall be more successful. I wanted to ask the Commission something about point 7 on the list of successes it has submitted to us, the point concerning reduction of working hours and redistribution of work. The Commission says that it does not intend to amend the proposal for a recommendation, although at its last part-session Parliament adopted a resolution which clearly calls for amendments. I therefore feel that it is wrong for this point to be in Category C: proposals from the Commission on which Parliament has delivered a favourable opinion or to which it has not requested formal amendment. It should in fact be in Category B: proposals from the Commission to which Parliament has proposed amendments that the Commission has obviously been unable to accept.

I should like to ask the Commission why not? What has the Commission done here? I am also struck by the sentence in which the Commission says it believes that, although the matter is at present being discussed by the Social Affairs group, the best the Council can be expected to agree to is what the Commission has proposed. I should like to know from the Commission whether it has already climbed to such heights in the Council, or rather sunk to such depths, that it humbly assumes what is the most the Council can be expected to agree to. Perhaps the Commission can also tell us what stage the discussion of this subject has now reached in the Council.

Mr Andriessen. — *(NL)* During the debate on this subject, which is rightly included in the Commission's list of successes — I am glad to hear the honourable Member calling this report a success — it was stated that, given the present situation, the Commission did not think there was any chance of its proposal being amended in the manner suggested by the honourable Member, which would in all likelihood be approved by this Parliament, meaning that it would in all likelihood be approved at the time of the debate, and it has meanwhile been approved.

It is sometimes better to leave well alone. I do not think that we have such a case here. When making a proposal, the Commission must, of course, look at the subject matter under discussion and ask itself how the problem can best be tackled. On the other hand, the Commission cannot isolate it completely, certainly where the subject is as controversial as this one, even where the two sides of industry are concerned, from what can actually be achieved. What the Commission has done is this: it has defended its position vigorously and zealously before the Council, it has not sunk to the depths by simply looking to see what is feasible, because the formula we apply is a different

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one : we try to achieve the best that can be achieved in the circumstances. There was a Council meeting last week. I cannot say there were any significant developments at that meeting. The impression I do have, however, is that there some prospects for a positive attitude towards this problem. If that is so, I do not think it would be wise to encumber the discussion with proposals which really have no chance of being accepted and which would also make it impossible to do the good that can perhaps be done because what we have in mind would be what the honourable Member considers better.

Miss Quin (S). — I would like to ask the Commission what discussions it has had in the light of the emergency resolution that Parliament adopted last month on the shipbuilding industry and whether it has come up with proposals to help this industry?

President. — I also have to say, Miss Quin that your question falls within the same category as Mr Enright's and Mr Chambeiron's questions. They do not concern consultations and therefore the best way to deal with them is to put them to the competent Commissioners in the competent parliamentary committee.

Miss Quin (S). — Why then, Mr President, does the agenda indicate that we shall be discussing Commission action on the resolutions that the Parliament passed at the preceding part-session?

President. — We agreed, as a Parliament, to define which questions should be answered by the Commission, which were questions concerning consultations. It was agreed that the rest should be dealt with in parliamentary committees.

Mrs Squarcialupi (COM). — *(IT)* By an amendment to the Directive regarding pollution of the air by industrial installations, Parliament very properly took upon itself the right to amend the Directives, revoking the powers in this respect that were previously held by the Committees for Adaptation of Directives to Technical Progress.

We should therefore like to know the Commission's view on the matter, after having had a month's pause for reflection from the time that Parliament, on a motion from the Committee for the Protection of the Environment, confirmed that decision.

Mr Andriessen. — *(NL)* The Commission has not yet completed its deliberations on this subject. The debate took place at the last part-session. I can assure the honourable Member that the next report on action taken by the Commission on Parliament's suggestions will consider his specific question.

Mr Enright (S). — Point of order, Mr President, Whilst I accept that we cannot put questions to the

Commission indiscriminately, I do not think it was the understanding of this Parliament that they would be confined to topics of the Commission's choice. It means that the Parliament has no discretion whatsoever, not even concerning what it actually debated and put to the Commission at the last session. It is a very dangerous precedent for the Commission to be able to control the agenda and the way in which we question them.

President. — Mr Enright, we have several solutions for that problem — Question Time, committee meetings. But it is impossible to ask one individual Commissioner at 5 p.m. on Monday to reply in detail to all the precise questions parliamentarians are capable of putting on all the resolutions that have been adopted by the House. That is not a serious proposal.

Mr Andriessen. — *(NL)* Mr President, now that this subject has been raised three times in this Assembly, perhaps you will permit the Commission to comment briefly.

We found in the past, Mr President, that the procedure for informing Parliament on the action taken by the Commission on Parliament's suggestions was not satisfactory. This was a general conclusion. I therefore assured Parliament that I would look into ways of improving the procedure. I put proposals to Parliament, and a decision was taken on them about a year ago. These proposals were as follows :

- a) A written report should be submitted to the plenary on the action taken by the Commission on Parliament's opinions on matters on which it has been consulted.
- b) The Commission should inform the parliamentary committees on action taken on all other resolutions adopted by Parliament and, in consultation with the committee chairmen, it has been agreed that the committees should decide on their own procedure for exchanging views on such resolutions with the appropriate members of the Commission.
- c) The Commission has undertaken to inform Parliament in writing once every six months on the action it has taken on resolutions.

Mr President, the Commission submitted its first report in July or August of this year and will be submitted the second next January or February. That has been agreed, and it means that Parliament will always have an opportunity of reverting to own-initiative resolutions. This cannot be done under this item of the agenda, but it is possible in committee or the six-monthly report.

President. — We quite agree.

Mr Rogalla (S). — *(DE)* I am grateful to Commissioner Andriessen for enlightening us. I have a question as to how this procedure could be improved with special reference to own-initiative reports. We have just been told that the Commission will issue statements in response to own-initiative reports at six-monthly intervals. Could this interval not be shortened so that it matches the rhythm of the Commission's proposals? Would it not be fair and reasonable to expect the Commission to comment on own-initiative reports in the same months as they report on Parliament's reaction to their proposals?

President. — Mr Rogalla, that is part of the agreement. If in committee you feel you want a full reply to a resolution of Parliament which can be given by the relevant Commissioner, you should ask the Commissioner to come to the committee and give the necessary explanations. It is impossible on a Monday afternoon to get satisfactory replies here. This is laid down in our procedure, but if you do not adhere to it you will only get a written statement every six months on what the Commission has done.

Mr Rogalla (S). — *(DE)* Mr President, if I understand you correctly a Commissioner can be asked to reply to questions after a report has been adopted by Parliament, i.e. not only during consultations but afterwards as well.

Mr Van Minnen (S). — *(NL)* Mr President, I realize I am not allowed to call for a new debate on this point, but I must just go back to the way in which the Commission feels it can deal with Parliament...

President. — Mr Van Minnen, there is no going back, you may only put a supplementary question.

Mr Van Minnen (S). — *(NL)* I will go on to the supplementary question, Mr President. I was merely trying to remind those who have meanwhile forgotten of what happened five minutes ago.

The Commissioner said it was better to leave well alone as if he meant to say: 'Parliament may be wise, but the Commission is wiser'. I must draw the Commissioner's attention to the fact that this Parliament did not adopt a resolution on the reduction of working hours in some kind of frenzy but after duly considering the matter and that it made various recommendations to the Commission in the resolution. I must ask the Commissioner once again why Parliament should do this and also what the Commissioner thinks Parliament's role is if the Commission can cast these recommendations aside in this way.

Mr Andriessen. — *(NL)* I feel that Mr Van Minnen is now broaching a subject which has little to do with the questions we are allowed to discuss under this item of the agenda.

Let me begin by saying this: I believe that, if you were to draw up statistics on recommendations made

in resolutions — I am not talking about legislation now — or amendments which have been tabled by Parliament to actual proposals from the Commission and have been accepted by the Commission, in the last twelve months, for example, you would arrive at a figure of over 80%. I do not therefore think it justified to raise the question of the relationship between the Commission and Parliament in such general terms as the honourable Member has done.

Reduction of working hours is a very controversial matter as things now stand in the Community. The Commission's attitude in this question is positive, as it has shown by coming forward with a proposal. I can well appreciate that Parliament feels this proposal must go further. I appreciate that the position adopted in the present debate goes further than what the Commission has proposed. If, for reasons of its own, the Commission clearly states in this debate that it believes it should not go further if progress is to be made, its decision can certainly be criticized, but it does not allow of the conclusion that the Commission does not take this Parliament seriously.

Mr Eisma (NI). — *(NL)* I should like to ask the Commissioner a very specific question, which follows on from Mr Van Minnen's question about reduction of working hours. Why is the point entitled 'Action taken by the Commission on Parliament's proposals concerning the reduction of working hours' entered under heading c) rather than heading b), which reads: 'proposals from the Commission to which Parliament has proposed amendments that the Commission has been unable to accept'?

Mr Andriessen. — *(NL)* In our eagerness to inform Parliament as fully as possible — which will not have escaped Parliament — we entered this point under the wrong heading.

Mr Hord (ED). — I have two questions to put to Mr Andriessen, but first of all, I would like to congratulate the Commission on providing the House with two pages of replies to the Parliament's report on the tobacco amendment to Regulation No 468/82.

The first question is, will Mr Andriessen confirm that the Commission did, in fact, receive a satisfactory response to the telex that was submitted to Mr Moroni by Mr Villain calling for all necessary steps to be taken by the Italian Authorities prior to 31 December 1983, and secondly, will Mr Andriessen agree with me that in this connection, i.e. substantial financial aid for the tobacco industry which was affected by Italian earthquake, it was wrong that such amounts should be calculated on a global basis and that the aid should be devoted specifically to the problems caused by the earthquake in the area concerned? In that latter context, my question refers to the reply to preamble G, Parliament's original report.

Mr Andriessen. — (NL) I am grateful to the honourable Member for his appreciation of the way in which we have reacted to this problem. On the other hand, I myself wondered, when I was involved in this, whether I would not spark off a new series of discussions, because in this answer we have gone into a number of specific factors in considerable detail. I believe that we are still in the process of finding the happy medium as regards both the right chapter for this aid and the giving of answers.

In general, I completely agree with the honourable Member that, from the point of view of financial administration, it is preferable to know what you are about at the time you take decisions: you need actual and specific information. I would ask him to appreciate that disasters like this one and the disruptive effect it has, of course, had on the functioning of administrations may well cause difficulties. But I agree with the principle of what he is saying. He also asked whether an answer had been received to a telex, if I understood his question correctly, and I am afraid I cannot say at the moment, Mr President, but I believe I shall be able to give him and Parliament an answer during this part-session, if required.

5. General budget 1984

President. — The next item is the debate on the 1984 general budget. Before calling the rapporteur, Mrs Scrivener, please note that the Committee on Budgets' report is not available for the moment. This means that Mrs Scrivener's statement is to be treated as an oral report on the 1984 budget.

The motion for a resolution is not available either. But it will be out before Thursday for the vote on the budget.

Mrs Scrivener (L), rapporteur. — (FR) Mr President, ladies and gentlemen, we have now come to the crucial stage in the budgetary procedure. Parliament must now take a stand on the draft budget as drawn up by the Council, at the second reading.

The decisions before us are difficult and the scope offered by the Treaty is limited. In the face of the grave difficulties experienced by the Community, the Council which, together with Parliament, constitutes that Community's budgetary authority, has not proposed a solution that all can accept. At the same time, the failure of the Athens Summit has exposed the lack of agreement among Member States as to the content of European construction.

In the situation created by the Athens Council's failure to reach a decision, a response is required from the European Parliament.

This response should be guided by the following two principles.

First, Parliament should demonstrate its cohesion and show itself to be a truly Community institution capable of transcending national egoisms. Secondly, Parliament must try hard to find constructive solutions. This must not be merely — as I have heard it suggested by some — a matter of punishing the Council: the essential thing is that Parliament should help the Community to emerge from the crisis which is engulfing it.

These two principles were indeed back of the decisions taken by this Assembly last October. And the Committee on Budgets proposes that it should be guided at the second reading by the decisions for which it opted at the first.

Let me, if I may, say a little about those decisions at first reading.

The European Parliament drew up a realistic budget which takes account of budgetary constraints. It prepared prudent estimates of the available revenue. In determining the volume of payment appropriations it decided to keep to the ceiling of available resources. It was thus that the 1984 budget emerged from the first-reading debates with only a 1.34 % increase on the final budget for the financial year 1983. Parliament thus acted consistently in putting into effect the budgetary options which it chose by voting the resolution of general guidelines last March. Parliament also made clear and carefully-considered statements on the three aspects of the budgetary problem which it regards as fundamental. Moreover, it asked that an agricultural reserve be set up and, at the first reading, put in suspense rebate appropriations for certain Member States. Lastly, Parliament tried to widen the Community's horizons by voting substantial appropriations for industrial policy.

Taken together, these measures reflected the programme laid down at the European Council in Stuttgart.

Furthermore, Parliament made some of its decisions at second reading dependent on the outcome of the European Council in Athens. Now we must see what we should do in the absence of any decision from Athens.

Let me now turn to the Budget Committee's proposals.

Despite the bad news from Athens, the committee felt it must not give way to discouragement. It drew up its proposals in these cheerless circumstances. They concern the four headings on which a compromise was reached at first reading, to which is added a fifth point, raised by the Council, which concerns Parliament's powers in respect of the revenue statement.

Before we examine these five points we should remind ourselves — and I feel this is important — that the 1984 budget will be the financial basis on which, in the coming months, rectifying measures will be taken to take account of the real situation.

Scrivener

The first point concerns the volume and distribution of the appropriations. You will remember, ladies and gentlemen, that in order to put its guidelines into effect Parliament had decided at first reading to increase the payment appropriations proposed in the Council's draft by 546 million ECU and to share out this amount more or less equally among the four major sectors: the social sector, the regional sector, the economic sector and the development-aid sector. The Council agreed to increased payment appropriations for the social and the regional sectors to the amount of 377 million ECU, but the appropriations for the economic sector and development aid were reduced. The Committee on Budgets now proposes that Parliament restore the payment appropriations to the first-reading level, but subject to some possible concessions, mainly on operating appropriations. For commitment appropriations the committee at first reading opted for an increase of 1 260 million ECU. The Council was much more severe, particularly in view of the persisting uncertainty as to the increase from new own resources. It cut down these appropriations to 466 million ECU. The Committee on Budgets proposes that at second reading the commitment appropriations be increased by 293 million ECU, which means a total increase of 759 million ECU on the Council's first reading.

The second heading is European industrial policy. Parliament managed to persuade the Council — though I believe on this point their thinking was similar — that the Community budget should be a portent of hope. The European countries' battle against industrial decline is undoubtedly the clearest proof of our determination not to give way to despair. This is why the Council accepted in principle the amendment which introduced 1 200 million ECU for the European industrial area; but the Council contented itself with a token entry. The Committee on Budgets, on the other hand, felt that a substantial amount should be laid down now for this new policy. The committee proposes to state in its amendment that implementation shall not take place until the necessary conditions exist, i.e. until the required resources are available and the legislative framework has been created.

The third heading concerns the financial rebates granted to the United Kingdom and the Federal Republic of Germany. At first reading Parliament decided to enter the amounts proposed by the Council in Chapter 100. You will remember that this was done to ensure that the links established by the European Council in Stuttgart are respected, because no priority should be given to the solution of one problem over others. The committee made it clear that this in no way implied any discrimination with regard to any Member State. A final position on this will be taken after conciliation between the European Parliament and the Council, which is to take place tomorrow afternoon.

The fourth item is the agricultural prices reserve. One of the issues which Parliament, at first reading, made dependent on the outcome of the Athens summit was that of curbing agricultural expenditure. It therefore set up a reserve of 825 million ECU with the triple aim of taking into consideration the prices to be determined for the 1984/85 marketing year, spurring the Commission into even more careful management of the appropriations available, and helping to balance the budget by taking advantage of possible savings. The Council agreed to only a small increase in the reserve, fixing it at 350 million ECU. And in its remarks it only accepted savings as the aim. The Committee on Budgets felt that this was not good enough and that the Parliament delegation which is to meet the Council in conciliation should press for a review of the matter.

The fifth point is revenue. By rejecting two of Parliament's amendments the Council seems to have wanted to put at issue Parliament's powers. As the representative of all the citizens of the Community Parliament must vigorously emphasize that it is entitled to play a primary role in determining budgetary revenue.

In conclusion, Mr President and ladies and gentlemen, as rapporteur and hence the exponent of the views of the majority of members of the Committee on Budgets, I express the hope that the conciliation procedure will clear up the matters still unresolved so that this Assembly can, as I believe it must, given the general situation, vote the budget. This will enable us to avoid a new crisis in the wake of that which has just occurred. I have already reminded you that all the Institutions are concerned. I hope that we shall know what conclusions to draw from this fact.

(Applause)

IN THE CHAIR : MR ESTGEN

Vice-President

President. — We now come to the report by Mr Pfennig, drawn up on behalf of the Committee on Budgets, on the modifications made by the Council to Parliament's amendments

- to Section II Council, Annex I Economic and Social Committee,
- to Section IV Court of Justice,
- to Section V Court of Auditors,

of the draft general budget for the financial year 1984 (Doc. 1-1167/83).

Mr Pfennig (PPE), rapporteur. — *(DE)* Mr President, ladies and gentlemen, in October you accepted my proposals for the budgets of Parliament, the Council, the Courts of Justice and Auditors, and the

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Economic and Social Committee. These proposals did not relate to the revenue and spending totals only. The important decisions taken actually resulted in the 1984 budget estimate for Parliament being lower than the previous year's for the first time ever. These figures are partly responsible for the fact that the European Community's total 1984 budget will only be 1.3 % up on the 1983 one.

But apart from these figures you also adopted some amendments of mine concerning budget structure which provide for a more detailed breakdown of the budget lines of individual expenditure items. My aim was to make the budget more transparent and introduce some economies. While finding Parliament's proposals for the budgets of Parliament, the Courts of Justice and Auditors, and the Economic and Social Committee useful and desirable, the Council doubted whether the numerical data for the breakdowns would be available in time for 1984. The Council has therefore not yet adopted the proposals for 1984, recommending that these expenditure item breakdowns be incorporated into the 1985 budget instead and provided with numerical data as far as possible.

I have to admit that I am somewhat amazed at the Council's attitude. Did it lack the courage to reach the same conclusions as Parliament on the basis of the same insights? Was one administrative body — the Council's — perhaps being a little lenient towards other administrative bodies, namely, those of Parliament, the Courts of Justice and Auditors, etc? The Council's reaction certainly gave me the impression that they regarded Parliament's call for greater economy as exaggerated in as much as it might affect their own administrative services.

I can at any rate assure you today that the Council of Ministers' fears regarding the availability of numerical data are unfounded. Speaking as rapporteur I would like to expressly thank the presidents and administrations of the institutions concerned for being so cooperative and supplying all the figures required for the breakdowns. The only body unable to provide all the requested numerical data was Parliament's administration, as a result of which no breakdowns have been done for four articles in particular. I hope these figures will become available in the course of 1984, enabling the 1985 budget rapporteur to continue this work.

I am consequently proposing now that the plenary should reinstate all the amendments that we adopted at the first reading in October, to which all the available figures for a breakdown of the explanations have been added. I think that although the Council has formally rejected these amendments with respect to the budgets of the Courts of Justice and Auditors, and the Economic and Social Committee, Parliament should confirm the position it took at the first

reading, which the Council has incidentally described as useful and correct. I have therefore retabled the October amendments with the figures added and would ask you to vote in favour of them on Thursday. This is not actually necessary in the case of Parliament's budget because the Council has traditionally always accepted our proposals; all we need here is to add the figures to our October amendment relating to breakdowns of certain articles and items. A straightforward amendment should be sufficient for this, and I have drafted a suitable text.

There is another subject I would like to mention besides these amendments and the situation regarding amendments in normal budgetary procedure. The House asked the Committee on Budgets in October to elaborate some recommendations on restructuring Parliament's administration by the second reading of the budget. This did not give us much time. In my capacity as rapporteur I prepared an extensive study for the Presidency which was largely based on the ideas of the Presidency's working group. I have naturally applied zero-based budgeting, as has long been the practice of the Committee on Budgets, in this case with respect to staffing, and allocated posts in accordance with the regrouping proposals of the working group of Parliament's Presidency.

The Committee on Budgets has not had time to discuss and approve this study, and so I cannot present you with its proposals for modification by the Presidency. I can merely recommend you to urge the Presidency in section 3 of the motion for a resolution to continue these restructuring efforts and to draw their attention formally to the rapporteur's studies. I think we can expect the Presidency to present its final amendments very soon. This problem will then be settled and restructuring actually completed by the time we have to start thinking about how the establishment and organization plans will have to be modified when Spain and Portugal join the Community. I hope that by then we shall have a sensible new organization chart and a sensible manpower planning policy.

Mr Georgiadis, President-in-Office of the Council of Ministers. — (GR) Mr President, ladies and gentlemen, I feel particularly honoured and pleased to be representing Council in this House during the European Parliament's second and final reading of the budget. I listened with interest to what Mrs Scrivener and Mr Pfennig had to say in criticizing the decisions taken during Council's own second reading of the budget. For my part, I too would like to stress that the Community's critical situation, confirmed by the failure of the Athens Summit, is so severe and extensive that I do not think any of the bodies concerned should make things still worse by creating obstacles to the adoption of the budget. In other words, Mr President, I believe that despite the fact that the efforts

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made to find an overall solution to our great problems may not have met with the fullest possible success, later attempts will be made easier if we avoid new obstacles and a new crisis in connection with the Community's budget. As I have had the opportunity to say in previous speeches of mine in this House, Council considered, and still does consider that adoption of the budget for next year is a short-term economic act by the Community that you should not view as being linked to any results of the Athens Summit, whether positive or negative. And I particularly stressed, indeed did my best to persuade you, that whatever the results achieved in Athens, this budget is based on specific regulations and decisions taken by the Community's various bodies, and that its character cannot be changed by developments at the Athens Summit.

You wanted, and indeed aimed to steer the Athens Summit towards, certain positive results, and precisely for that purpose you approved a number of amendments and modifications to the budget at your first reading. Unfortunately, as you know, the Athens Summit remained completely uninfluenced by these efforts, and equally so by the efforts of the Greek Presidency to bring about some positive result. And today we stand at the critical time when you will have to judge whether you ought to continue linking the budget for 1984 with the long-term developments and improvements in the Community's structure which we all desire. So : you put together the changes to the budget into a single package, to exert some degree of pressure in Athens. Council, for its part, only agreed in small measure with that package and voted for a new compromise package, which you are no doubt familiar with and about which I shall have some things to say in a little while.

Despite the disagreement that still exists between Parliament and Council concerning the evaluation of the budget, I would like to state that in the last few days Council has worked together with representatives from Parliament and from the Commission, under the chairmanship of the Commission's President Mr Thorn, in a joint effort to establish upon which points the respective views are not too seriously divergent, so that the budget procedure might be facilitated and reach a satisfactory outcome.

I now come to the points which, in part, Council was unable to adopt fully during its second reading of the budget. You had asked that Chapter 100 should record exactly 5% of the expenditure for agricultural prices, and Council felt unable to accept this restriction because it was conscious of the fact, as I am sure you are too, that the total sum recorded as budgetary appropriations for the Guarantee Section of FEOGA was estimated very conservatively and it would be impossible to lay aside additional reserves or make greater reductions in relation to that sum. In spite of this, and as an indication of good will in response to

your own good intentions, Council increased this reserve sum by 100 million ECU, to show that a tendency towards restraint, better management, control and the avoidance of waste in the sector of FEOGA-Guarantee Section would receive Council's support. At any rate, I think that after the dialogue we had with your representatives, and the one we shall have tomorrow evening at the meeting of the Special Council here in Strasbourg, we may perhaps be able to reconsider this matter.

The other problem you linked to Athens was the problem of rebates to Great Britain. As I have already told you, Council is bound by the Stuttgart decision to repay this money to the UK and West Germany. The attempt to record those sums under Chapter 100, aiming to exert pressure on Council to adopt a position and devise a permanent solution of this problem was, as you have seen, unsuccessful. For its part, Council, during the second reading, went some way to meeting you by accepting that part of the UK's rebate, previously regarded as commitment expenditure, could be reclassified as non-commitment expenditure subject to certain provisos which, if need be, we can discuss in greater detail tomorrow. Nevertheless, I would like today to draw your attention to the fact that you should not insist that these sums be recorded under Chapter 100, but allow them to be recorded as budgetary payments. Other matters connected with those rebates can be discussed at tomorrow's meeting, and during our subsequent deliberations.

As for the payment appropriations for 1984, you had almost exhausted the available resources. Council considered this, in my view very sensibly, and decided that smaller increases in the payments should be recorded for next year because it makes sense to hold something in reserve in case of unforeseen contingencies. For this reason, it approved payment increases of 377 million ECU instead of the approximately 540 that you had asked for. The same thing happened with the commitment appropriations. Your proposal for a substantial increase in commitment appropriations for various sectors, and in particular the amendment calling for the creation of a European industrial area, was a little too daring and exaggerated. I say that because the resources are not available, and the Community cannot therefore undertake commitments when it has not secured the requisite resources to cover those commitments during the coming years.

I can however, tell you that Council agrees with the substance of your amendments, especially the one referring to a European industrial area. It does not agree with the recording of specific sums under that heading, but does approve the intention of your amendments, and to signify its agreement, has written the letters 'c.a.' against that item as a reminder to Council, to you and to the Commission that as soon as the necessary resources become available, then it will become possible to change the 'c.a.' into a specific and sufficient sum for the industrial policy.

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I will not take up your time with details concerning the way Council divided up the sums it approved between the various sectors. I would just like to stress that within the tight financial framework at its disposal, Council did all it could to meet your wishes in relation to the regional policy, the social policy and a number of other policies towards which you displayed particular sensitivity and to which you gave priority.

As for the matter of revenue, Council rejected your amendments on the changes of revenue and continues to believe firmly that determination of the Community's revenues is not a matter within the competence of Parliament, but within Council's competence. Council remains firm on this point.

Finally, Council insists that the loans and the EDF should not be included in the budget; this is consistent with the attitude Council has maintained up to now.

Mr. President, in concluding this intervention I would like to emphasize that Council, and especially those of my colleagues who have been Presidents-in-Office of the Council on Budgets and I personally, made special efforts to ensure that there would be a constructive and useful dialogue with Parliament's representatives whom we had the honour of meeting. If this dialogue has not yet reached a very satisfactory stage, that is not the fault of any of us. There is still room for manoeuvre in the days ahead, for us to establish points that could create the conditions for avoiding another crisis in the Community, and for adopting the 1984 budget. The remaining major problems faced by the Community can then be solved uncomplicated by financial bottlenecks.

Mr Tugendhat, Vice-President of the Commission.
— Mr President, as both the rapporteur, Mrs Scrivener, and the President-in-Office of the Council, Mr Georgiadis, pointed out this debate, the culmination of the budgetary procedure, takes place in the shadow of the very disappointing results of the Athens Summit. The reasons for the failure of Athens and the consequences and lessons which may flow from it will, I am sure, be the subject of your debate tomorrow when you deal with this particular point and when the President of the Commission will set out the position of our institution.

At this stage therefore I will do no more than refer to the declaration which we made on 7 December in which we made clear our determination to assume our responsibilities for the preservation and development of the Community during the very difficult time that lies ahead. In that declaration we also expressed the hope that following the disappointing results of the Athens Summit there should not be further uncertainties and that the conditions should be established for early agreement on the adoption of the 1984

budget. Certainly our best efforts will be directed towards that end.

I would like to reiterate that hope today and also to draw attention to the efforts which the Commission has made since the presentation of the preliminary draft budget. In June this year we presented a preliminary draft budget for the Community for 1984, geared to what we felt were the Community's real needs in the light, of course, of the stringent budgetary situation. These needs are no less today than they were then. Indeed, the disappointment of Athens makes it all the more imperative that some of the policy initiatives which were included in that budget, for example the commencement of the operational phase of the Esprit programme, should be seen now to go ahead. To launch the Community into 1984 on the basis of a provisional makeshift budget with all the attendant difficulties that flow from the provisional-twelfths regime would not augur well for the rescue which our Community so urgently needs. The Commission hopes therefore that in the course of this week agreement can be found between the two arms of the budgetary authority which will enable a legally executable budget to be adopted. Such agreement will require the exercise of political choice both by this Parliament and by the Council as regards what is desirable and also what is attainable.

As regards what is desirable, the Commission expressed at the November part-session its support for the general approach which Parliament adopted in its first reading of the draft 1984 budget an approach which we believe reflected a judicious and realistic choice of priorities. The Council's response to Parliament's first reading was certainly less forthcoming than the Commission hoped. But it did show at least a degree of willingness to meet some of the House's concerns. As to what is attainable the Commission hopes that an agreement can be reached on the basis of a political understanding which will have to mean a spirit of compromise on both sides, between the two institutions which co-equally constitute the budget authority. The Commission itself stands ready to do what it can to facilitate such an agreement. If such an agreement is not reached, however, then the provisions of the Treaty in their strict juridical sense and the arrangements provided for in the dialogue declaration come into play. None the less, it is important that, whatever happens, a budget is adopted which conforms to these provisions and which is thus legally executable by the Commission.

Finally, I would make one point about the Commission's own responsibilities. The Commission is fully conscious of the tight budgetary situation which the Community will face during the years 1984 and 1985 a period during which no increase in the Community's own resources can be foreseen. The Commis-

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sion is determined to ensure the management of the Community's expenditure during these years in such a way as to ensure both the continuation of the Community's existing policies, the means of whose execution may in some cases require some adjustment and to permit the initiation of those new Community programmes and actions which the Commission believes are vital for Europe's future.

The Commission is already taking steps to ensure that these objectives can be met. Special arrangements have been set in train within the Commission to ensure a closer monitoring and tighter control of the implementation of all parts of the Community's budget. On the basis of these arrangements the Commission will take the necessary measures within its own competence or will propose in appropriate cases adaptations to the Community's legislation so as to ensure the management of the annual budget within the available resources. In particular, the Commission is examining the problems affecting the management of the common agricultural policy in order to ensure that the Community's obligations in the agricultural field can be discharged within the appropriations voted in the 1984 budget. The proposals for the reform of the common agricultural policy which the Commission presented in July 1983 would, if adopted from the beginning of the relevant marketing years, have brought about the necessary economies. In the absence of the adoption of these proposals the Commission will, in the course of the next weeks, be taking and proposing particular measures in the agricultural field designed to achieve the same objective. Against this background the Commission is confident that, provided the necessary decisions are taken in time, the Commission can survive and indeed prosper in 1984 within its current resource constraints.

I repeat my hope that, following the disappointment of Athens, decisions may be taken this week which will allow the Community to move into 1984 on the basis of an agreed budget and which will, I hope, signal a change in the Community's fortunes which will in turn enable the decisions which were not taken at Athens to be taken at the earliest possible moment, the earliest right moment, let me say, during the course of the coming months.

6. Welcome

President. — Ladies and gentlemen, on behalf of Parliament I extend greetings to the delegation from the Israeli Parliament for relations with the European Parliament, led by Mr Menachem Savidor, President of the Knesset, who have taken their seats in the Official Gallery.

(Applause)

We are happy to receive our Israeli partners for the 9th annual meeting since 1975 between the delegations of our two Parliaments and we wish them a cordial welcome. We wish them a pleasant stay with us and fruitful and constructive contacts with our delegation, led by Mrs Tove Nielsen, and the other Members of our Assembly.

(Applause)

7. General budget 1984 (continuation)

Mr Fich (S). — *(DA)* Mr President, there was much debate in the press last week over whether the European Parliament would reject the Community budget for 1984. On behalf of the Socialist Group, I must condemn this debate as untimely. We take the view that all concerned are working towards a budget and that it is only when the discussions between the political groups and between Parliament and the Council have been concluded that it is time to finalize the matter. But we understand that such speculation is bound to arise. And the Socialist Group had expected a number of results from the Athens Summit which would have eased the way for the second reading of the 1984 budget. It turned out otherwise. No decisions were taken on agriculture, on financing or on enlargement, and this of course makes it more difficult to achieve our wishes in respect of a budget for 1984.

We in the Socialist Group want to contribute as much as we can to a solution of the problems which remain unsolved following the Athens Summit. Clearly we cannot expect miracles. All that remained unsolved a week ago cannot suddenly be solved here. But we nevertheless intend to try our hardest to achieve such a feat, and we hope that the Council of Ministers will also show the will to solve the problems. In that connection, I should like to declare support for the intentions of the Greek presidency in this regard. In recent weeks, we have had very positive experiences with the Greek presidency in the budget discussions, and it is our impression that the presidency is working hard for a solution to these problems.

Let me give a brief account of the position of the Socialist Group on a number of the problems outstanding with regard to the 1984 budget. To start with, on the subject of the payments: the Socialist Group supports the proposed amendment adopted by the Committee on Budgets, namely an increase in payments of 145 million ECU. By this means we restore the bulk of what had already been decided during the first reading. I should like to point out, in particular, that we are restoring the support to the developing countries, to the consumer sector, to the environment sector and to research. I all these sectors the Council of Ministers perpetrated something close to a massacre, which rather unmasks the Council. On

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the one hand, the Council is constantly saying that we should do something in these fields and, on the other hand, it cuts back the appropriations to them by its own hand.

I think it is a positive development that we have reached this agreement in the Committee on Budgets to restore the payment appropriations. This shows that the political groups have remained faithful to the agreements which were reached during the first reading, and that is of course an important precondition for cooperation between the groups here in the European Parliament.

As far as the appropriations for commitment are concerned, the Socialist Group also backs the proposed amendment from the Committee on Budgets. On some points we also go a little further. This concerns the question of the fight against unemployment and the question of support to the developing countries, in other words the two areas which carry priority for the Socialist Group.

There is special proposal for a substantial appropriation of 1 200 million ECU for industrial recovery. It is clear that discussions must take place with the Council on the allocation of a sizeable sum to this item, even if it is not entirely certain that the full amount can be restored.

In the field of agriculture, the Socialist Group feels that there is an urgent need for action. It is a very pressing problem, particularly when we look at the latest figures for surplus production. But at the same time the position is such that it is precisely in this area that Parliament can do least. We recognize that we cannot change the figures unilaterally following the Council's second reading, but clearly we intend to raise the agricultural policy in the consultation procedure too, and we want a clear assurance from the Council that action will be taken on the production of surpluses and hence on the growth in expenditure.

On the repayments to the United Kingdom and West Germany, I ask you to note the mention of both countries. It is not a question of only one country having difficulties. The position of the Socialist Group has from the start been that we are opposed to these arrangements. We think that they have set something in motion which may lead to the *juste retour*. We readily concede that there is a problem for one of the two countries, but in our opinion it is not a budgetary problem. It is a problem of development, which a number of other countries in the Community, such as Ireland, Greece and Italy, are also experiencing. The Socialist Group entered into a compromise on this matter with a number of other political groups during the first reading. We did so notwithstanding the European Parliament Resolution of February 1983 demanding that such repayments should never be made again. We entered into a compromise to the effect that the money could remain in the budget but would be allocated to particular items and be blocked

until we got an assurance from Athens that a long-term solution had been found. Unfortunately one of the political groups went back on this agreement at the last minute during the first reading, but we in the Socialist Group nevertheless intend to stand by the compromise which we entered into and we want it to be the basis for negotiations with the Council.

In conclusion let me say that the Socialist Group is actively concerned that there should be a budget for 1984, but I also want to stress that it must not be just any budget.

Allow me, finally, to make one or two personal comments, Mr President, and I must point out that they do not go for the entire Socialist Group. The question today is whether we wish to resolve crises or create crises. In my view we have enough crises in the Community and our task in Parliament is to contribute to the solution of some of the crises. We shall not do that by merely repeating what was said during the first reading. Why should we have a second reading at all? In actual fact we ought only to need one reading. But we shall not achieve that by thinking solely along institutional lines, by treating the whole question as a struggle between the Council and Parliament. We shall only achieve it by devising a coherent policy which reflects the views of the political forces represented both here in Parliament and in the Council of Ministers. If we adopt such a coherent policy and if there is in addition a certain measure of good will both in the Council of Ministers and in Parliament, then I think it should be possible to reach agreement this very week. Should we fail — and I very much hope we do not — the already poor image of the Community, yes, and of its institutions including the European Parliament, will be tarnished still further, and rightly so.

Mr Langes (PPE). — (DE) Mrs President, ladies and gentlemen, we Christian Democrats in the European Parliament are aware of the importance of the second budget debate for 1984. The European Parliament is aware of its duties and its sovereign rights. It knows it is adopting the same political line as the disastrous Athens Summit. By voting for the draft budget by a four-fifths majority at the first reading Parliament showed how the 1984 budget could be a step in the right direction, which the Athens Council was, however, unable to take.

I would like to draw attention again to the two demands which we have repeated here time and again, including this year. Firstly, we do not wish repayments to the United Kingdom and the Federal Republic of Germany to continue in their present form, and secondly the Community's sound agricultural policy needs to be put back on a sound footing, i.e. the production of structural surpluses must stop. Parliament has called for the development of new Community policies, e.g. industrial initiatives to create jobs

Langes

and reduce unemployment. In this connection I would like to mention the sensible and intelligent 'Esprit' programme which represents an attempt to implement a joint European programme in the field of microelectronics, this being a field in which Europe accounts for 30% of consumption but only 7% of production. A common European policy is needed here.

Fourthly, we Europeans are aware of our responsibility towards the starving nations of the world. This was not just an empty promise, but we said we wanted to extend our development policy to include Europe, because we naturally want to show solidarity with the backward regions of Europe. That is why it is only right and proper that our regional policy should be strengthened.

As you all know, we tried to incorporate these items at the first budget reading in such a way as to remain within the budget framework, i.e. below the revenue limit imposed by the 1% VAT ceiling. This was sensible of us. Mrs Scrivener has pointed out correctly that the 1984 budget is only 1.3 to 1.5% up on the 1983 one. The claims voiced so often that Parliament is on a spending spree are therefore unfounded, although we all know how the rates of inflation differ in our various countries.

So our policy at the first budget deliberations was a sound one, and we are consequently pleased to hear you say, Mr President-in-Office of the Council, that no institution should be allowed to widen the rift in Europe. At the joint deliberations, i.e. in the mediating committee between Parliament and the Council, you now have an opportunity to show plainly that the failure of the Athens Summit has not rendered the Council immobile but that it is prepared to listen to the European Parliament's demands. This seems to me to be a reasonable response to your request. We are willing to talk about all these points in the mediating committee, but you must appreciate that we cannot give up our five basic demands.

It is unacceptable, in my opinion, for you to simply remark in passing as you have today that the Council has not changed its mind on the question of own resources. This is a fundamental issue. Parliament is obliged to fulfil its tasks as laid down by the Rome Treaties. The question of own resources, of the amount and the way there are raised — it is our right to decide these matters! We are not going to let the Council deprive us of this right! It is vitally important to us.

(Applause)

There is something I would like to say very frankly to the Commission. Mr Fich has just quite rightly made this point. With respect to the appropriation of around 400 m ECU in Chapter 100, i.e. to the reserve,

we are dependent on the Commission's sending the Council and Parliament a rectifying letter. You have just said that the Commission is ready to do anything, Mr Tugendhat, and I am taking you at your word; have the courage to do this, and do not be led astray by a majority Council decision. You are a political institution and it is your duty to make the budget proposals that you consider to be the right ones. Parliament will give you its backing.

(Applause)

It is most unfortunate that the Athens Summit has created the widespread impression — and indeed many commentators have stated as much — that Europe is bankrupt, Europe is broke. Anyone who says this has not done their homework on the European Community. The European Community has achieved something that no national budget ever has — in 25 years it has not run up any debts! We are a Community without debts.

Parliament does see a risk, however, of our becoming insolvent unless some decisive changes are made in 1984 with respect to agricultural surpluses and repayments to the United Kingdom and the Federal Republic of Germany. It will be the Member States' governments and national parliaments who are affected by our insolvency because they will be forced to do what they have not been prepared to do up to now, i.e. they will have to take action on the matters of own resources and restructuring.

We are ready to have talks with the Council, but we must say to the Council quite frankly that we are not prepared to accept this budget come what may, but only if a fair compromise is reached between the Commission, the Council and Parliament.

(Applause)

Mr Balfour (ED). — Mr President, may I start by joining in your welcome to our friends from the Knesset. We are glad that they are here in Strasbourg this week.

As you know well, my group has never liked the linkage between the Council's meeting in Athens and our decisions affecting the 1984 budget. We have always viewed the European Council meeting in Athens as a long overdue attempt to map out the road ahead into the future, and the 1984 budget procedure is established by the Treaties to enable us to meet the Community's immediate obligations in the year ahead. The one was supposed to deal with the future, this one has to deal with tomorrow.

The fact that Athens broke up in a shambles should not now lead us, in a mood of exasperation and vengeance, to bring the crisis on by rejecting the budget for 1984. It is tempting, certainly, but it should not be our instinctive reflex reaction.

Balfour

We should now concentrate attention, in my view, on forcing certain constitutional advantages against our joint budgetary authority and my group will, in such a trial of strength, help to extend Parliament's ultimate control over all Community expenditure. We are ready, in order to achieve these objectives, if necessary to vote in favour of rejection, as I shall explain later on. Indeed, there are some voices behind me who would cry out for outright rejection as their first choice. My group, however, believes that we should vote at the second reading without fear but without revenge. We believe above all that we should remain consistent with our past decisions and declarations.

Let us then remind ourselves of what we did at first reading. What did we decide to do as Parliament in October? First, we chose to go way above the maximum rate, yet neatly remain within the 1% ceiling of own resources. Secondly, we decided to freeze, through Chapter 100, 5% of agricultural spending and the British and German rebates. Thirdly, we agreed to give a signal to the Council of our priorities for post-Athens expenditure policies, the 1.2 billion in commitments for a new generation of industrial initiatives. And fourthly, and in many ways most importantly, we agreed on 4 paragraphs for identical inclusion in modification 541 and Amendment No 563. There were 3 essential elements in these paragraphs and they are of the highest importance. There was the Athens conditionality, there was linkage and there was no discrimination and I will quote the texts.

On Athens conditionality the Parliament said 'Parliament expects from the European Council in Athens a clear conception regarding all the issues identified in Stuttgart'. On linkage we said 'Parliament will decide on the options relating to the 1984 budget in the light of the opinion it forms of the outcome of the European Council meeting in Athens'. And it went on, on the question of discrimination 'Should this opinion be negative' — and who can doubt that it is — 'Parliament will take a decision in accordance with its powers and without discriminatory effect towards any Member State'. We shall see this week what this House meant by those words. I know what I meant when I voted for that modification and that amendment.

What does my group now want most? We want a permanent solution to the budget problem which will lead to greater budget equity. In the short term, much to our disgrace, this means rebates, in the long term it means budget reform. It is our view that if Parliament wants to push for its maximum powers of control over Community expenditure, it should move the UK and German measures from the Council's spending lines onto *our* most favoured lines in the budget. We would, by this means, extend our control over 100% of this much hated system of rebates. We would thus expand our concept of classification of expenditure

and we would remain consistent, first, with our insistence that we have never questioned the amount or the destination of those rebates and, secondly, with our insistence on full accountability by recipient governments for Community funds and with the Parliament's declaration that whatever our fury and frustration at second reading, we would not take action likely to have a discriminatory effect on any Member State.

Hence our preference for a maximum restatement of our budget powers on the line. Hence our preference for a hard-nosed approach to the Council, which is today at sixes and sevens and which attacks them as one institution against another, as one member of the budget authority against the other. This is the constitutional victory to be won this time round and my group approaches that battle with relish. If, however, Parliament should wish, after unsuccessful consultation, to adopt a more revolutionary and radical post-Athens approach, then the only possible alternative for us will be to reject the budget as a whole. Even though this would involve an immediate and massive financial disadvantage to my own country, my group would prefer this option to that of relaunching Amendment No 563 in isolation because such a discriminatory move by Parliament would be opposed by every single representative in this House from the United Kingdom and this Parliament will only, at its peril, disregard a position so unanimously taken up by an entire national group.

(Applause)

Mrs Barbarella (COM). — *(IT)* Mr President, I think that Parliament should approach the second reading of the budget taking the view that the failure of the Athens Summit is not necessarily synonymous with the failure of Europe. In other words, we think that Parliament must accept the challenge that the relaunch and renewal of the Community represents — a challenge before which the Heads of State or Government have thrown in the sponge, at least at Athens.

We are of course aware that the budget does not offer us a great deal of scope for such an ambitious operation; but, however restricted the room for manoeuvre, it is sufficient in our view to allow us to give important indications of the political will of Parliament not to remain bogged down, like the Council, in the 'quagmire' of national and corporate interests but, instead, to provide positive answers to that enormous set of problems that the economic and political crisis of the 1980s is posing for all the countries of the Community. That is why, Mr President, we wholeheartedly support the decisions of the Committee on Budgets, which was designed to leave the fundamental strategy of the first reading of the budget unchanged.

On that occasion, Mr President, as the rapporteur, Mrs Scrivener, reminded us, despite the constraints due to

Barbarella

the fact that the Community's own resources were on the point of exhaustion, Parliament none the less succeeded in the difficult operation of reconciling a high sense of financial responsibility with the reaffirmation of a number of principles that are of fundamental importance for the recovery of the Community. This was the sense of the amendments at the first reading: to put into effect a number of increases that, whilst modest, would reflect the priorities and guidelines repeatedly expressed by Parliament, and, at the same time, to show in a concrete way its determination to bring the Community's policies into overall equilibrium — an equilibrium that would involve, on the one hand, action finally to reform the common agricultural policy and, on the other hand — coupled with a final solution of the question of the British contribution — genuine steps to enlarge the Community's policies in the fields of industry, energy and research, which are key sectors today if Europe is not finally to lose its competitiveness, which is already under grave pressure in world markets. These were the broad lines governing our approach at the first reading, and, in our view, Mr President, they must remain our guidelines for the second reading of the budget as well.

It seems to us, in fact, that the very failure of the Athens Summit should act as a spur to us to show no weakening on points that are of essential importance to the Community, and to shoulder unreservedly our responsibilities, rejecting — and I emphasize this — everything of a demagogic nature, and, instead, reaffirming our definite determination to face up to the problems and provide suitable answers to them.

With this in view it seems essential to us to persist with the call for a final solution, from the governments, to the question of the British contribution. In the same way, the creation of a European industrial policy, with adequate financial backing, seems equally essential for the future of the Community.

We are in fact convinced that the challenge facing the post-industrial societies of Europe today is the challenge of a deep-rooted industrial revolution; and that is why the Community must devote its attention to this question without further delay, and put in hand the most suitable measures for constructing a framework of European cooperation.

There is no lack of potential in Europe: skilled labour, technology, capital. What is lacking, on the other hand, is a plan for promoting opportunities for this potential to be converted into new productive processes. We believe it is urgently necessary to draw up this plan — or, if you prefer, a European industrial policy — not in order to preserve the old, but to develop the new.

This, Mr President, is the great step forward that, in our view, Europe must take in the future, if it is to

give a satisfactory answer to the technological challenge coming from all sides today. And this step forward cannot be achieved along the lines of what we witnessed at Athens. We believe, instead, Mr President — and we believe this with all our hearts — that, unlike the governments, Parliament will express — even using the budget for the purpose, and in spite of the limitations inherent in this budget — the will for the relaunch and renewal of Europe which was not expressed at the Athens Summit.

Mr Rossi (L). — *(FR)* Mr President, this Parliament's latest budget comes in the midst of a crisis in which budgetary issues have a central place. The fact is, if the Heads of State or Government had the political will to resolve — or at least to begin resolving — the problems which have been deferred from Summit to Summit, then obviously the budget question would not have come to this dramatic pass.

To bring things back into proper perspective I will quote a remark of Simone Veil's who reminded us that the Community budget amounts barely to 2 % of the national budgets taken together. Let me add here that this Community budget has in a number of areas come to replace the national budgets, providing for expenditure of which the Member States have thus been relieved.

This reminder leads us to a question: Are we going to follow the bad example from Athens, or shall we, on the contrary, show ourselves to be a responsible institution? In other words, are we going to add a budgetary crisis to the political one, or shall we instead seek every means available to ensure the continued functioning of the Community in 1984?

I shall not go over again the background to this budget debate, every point of which has been analysed clearly and objectively by Mrs Scrivener, whose conciliatory efforts I salute. At this stage I just want to give a warning. We must be clear on this: if Parliament is made the scapegoat for the manifest crisis in which the Community finds itself today, it will not be able to perform miracles and its vote next Thursday cannot save the day. We have not the means to become the Community's lifeline.

This being said, the public at large and the media will nevertheless be justified in following our proceedings with interest. Parliament is a responsible institution, one which, despite the modesty of its powers, will not gloat or take advantage of disaster, but will instead try to point the way to the quickest exit from the blind alley into which the governments of the Ten, in their national egoisms, have pushed Europe.

The Liberal and Democratic Group is firmly convinced that success can only be achieved if we manage to preserve the balance which was worked out at the time of the vote on the first reading of the budget.

Rossi

At that time we issued a political message which was based on the fundamental notion of sacrifice shared among all the Member States. That is the very essence of a compromise. We were strong in our stance because we did not propose to be in the slightest degree discriminatory towards any country. We shall be strong again if next Thursday we can maintain this line.

To put it in a nutshell, Mr President, we are in favour of maintaining our position at the first reading on all the points: the British contribution, agriculture the new policies.

The Treaty, it is true, does not accord us the same budgetary powers on all the issues at second reading, but I think the political pressure we can bring to bear can to a large extent offset this handicap — I am thinking, of course, of the agricultural issue.

In that area, let me remind you, our group voted to increase the agricultural reserve under Chapter 100, with the aim of providing the exact amount of necessary appropriations for the increased prices in the 1984 marketing year. I need hardly tell you that this still remains our concern and this is why we feel that we should keep up, and perhaps even increase, our pressure, particularly on the Commission. The Commission has the means — I am thinking here in particular of the possibility of a rectifying letter — of putting forward budgetary proposals for agriculture which meet our desires.

Ladies and gentlemen, I should like to remind you that the inter-institutional talks which will be taking place over the next three days consist of official conciliation procedures, but also of unofficial bargaining. That by definition, implies that each of the institutions must be prepared to go some way to meet the other. The Council cannot come to Strasbourg with a rigid stance, the sort of attitude that in the past has been seen as holding up to ridicule the very authority of Parliament. We all still remember how the Council of Ministers came to Parliament with a completely closed mind in 1978 and how that was responsible to a large extent for the rejection of the budget on that occasion.

But Parliament, for its part, cannot go to the negotiations determined at all costs not to yield an inch to the Council. We say therefore: let us retain as our point of departure our position at the first reading, retain the possibility of discussion, keep our minds open, retain the chance of compromise.

At the same time I want to emphasize that this can only happen on one condition, and it is a fundamental one: a balance must be maintained between all the issues.

These, Mr President, are the few points I wanted to make briefly.

In conclusion I want to say that Parliament will confirm once again that it knows how to make the

best use of its budgetary powers — powers which, incidentally, as we have discovered, were challenged at the Athens Summit. We regard these powers as an effective means of promoting European construction and this is why we attach great importance to them — not from any considerations of prestige but because we want to contribute in a real way to the making of Europe. It is in this spirit — a spirit of firmness but also open-mindedness and a spirit of dialogue — that we enter on this last stage of the budgetary procedure because we do not want to see a new institutional crisis compounding the political crisis.

(Applause from the right)

Mrs Nebout (DEP). — *(FR)* Mr President, ladies and gentlemen, I must first of all observe that the problems of organizing the agenda for this part-session only add to the difficulties of the debate on the 1984 budget which is taking place at a time when the Committee on Budgets has not completed its work and when, above all, conciliation with the Council is yet to come. We all know that after the Athens fiasco the position of this House depends essentially on the outcome of this consultation which is to take place tomorrow afternoon. In fact, therefore, as Mrs Scrivener rightly pointed out, all the fundamental issues of this 1984 budget today are still in suspense.

This is why, speaking on behalf of my group, I can only offer you a few comments, pending the establishment of a final position.

The 1984 budget, as amended by the Assembly, on the rapporteur's proposals, at first reading, has two aspects. It is a budget for today, a response to the persistent economic crisis, which has as far as possible been endowed with the means to continue the battle against unemployment and world hunger, a budget which proposes the development of the four priority sectors which Mrs Scrivener recapitulated and which I shall not now list, since every speaker has already done so.

But it is also a budget for tomorrow and as such it is in the nature of a political message: a message proclaiming a particular future for Europe, a message transmitted through the channel of compromise — a compromise formulated by the rapporteur and one that for the most part we have accepted. As to Athens, a page has been turned. The failure of the European Council will at least have had the merit of showing up those who bear the real responsibility for Europe's crisis, those who have no other plans for the Community than to draw the maximum profit from it at the least cost.

In these circumstances the problem before us is how to take useful and constructive decisions. Would it be useful for Parliament to use the budgetary weapon of rejection and by this show of strength add a second crisis to the one which was precipitated in Athens —

Nebout

all this only a few months before this Assembly is to face its electorate? It would certainly be going too far to claim that the 1984 budget is not linked to the outcome of the Athens meeting. But it would be equally inaccurate to pretend that the link is a causal one and we do not believe in the merits of a punishment vote where the budget is concerned.

So we must neither reject the budget on principle, nor seek to adopt it at all costs. We must not for one moment lose sight of the issues which are still outstanding and we must not lose sight of Parliament's commitment, especially as regards the blocking, in the form of reserve, of the appropriations earmarked for the rebates for the United Kingdom and Germany. Neither must we forget the measures which Parliament wants to see put into effect by means of this budget. The final answer does not rest with us alone.

I can do no more at this stage, on behalf of the Group of European Progressive Democrats, than to call on the Assembly not to give in and to follow in a firm, positive and united manner the course which can enable us to salvage the essence of the compromise achieved at first reading. While the press in all our respective countries talks only of collapse, it is up to use in this Parliament to recapture the wisdom of the authors of the Treaty of Rome of twenty-five years ago. It is for Parliament to do its duty today, so that tomorrow Europe may recover confidence in its future.

(Applause)

Mr Blaney (CDI). — Mr President, all the talk I hear about the collapse in Athens rather amazes me. Whether in ignorance or otherwise, I never expected that Athens would produce anything at this particular time. In the main, I am glad that it did not, because had it succeeded in reaching agreement, undoubtedly it would have been mainly on the basis of the budget as we have had it presented. This, from the point of view of my country, would have been a disaster of catastrophic dimensions. I only hope that the time that may have been left to us as a result of the so-called failure at Athens may enable us to have a more sensible look at what is proposed in this year's budget.

We are trying to balance the budget and we are very conscious of the fact that we have a ceiling beyond which we may not go. Of course, we are continually being reminded that the common agricultural policy is the rock on which we are about to perish. I have said before, and I say it here again, that in all the circumstances the amount of money in total being provided for the common agricultural policy is probably near about enough. However, my contention is that it is not being applied in a proper manner. The Court of Auditors is beginning to see this and has come up with it in some of its recent reports. I would

like to see the monies of the taxpayers of Europe being used to help those who most need help in the agricultural sector. If we are to believe figures — and this figure of 70% seems to be much kicked around — 70% of the total money going to the common agricultural policy allegedly goes to the processing industry and to the big farmers. When we say big, we mean very big and we mean intensive farming production without necessarily employing the land at all.

Then we hear a great deal about rebates. Has a proper look been taken at the whole situation? Who is paying what? This idea of who contributes how much and how much they get back directly from the Community is not the whole picture by any means. What about the benefits that accrue to some of the major contributors to our resources from international trade agreements? These agreements have the effect of bringing agricultural produce into the Community in excess of our needs.

The result is that we have got to export that excess with a loss to the Community, and that, of course, is debited to the common agricultural policy.

We have, in my estimation, an opportunity not only of balancing our budget but also of saving those smaller farmers whose only hope is the land. If we are to move them from it, where are they to go? This can be done, and we can do it by curtailing imports drastically, particularly of cereals and cereal substitutes, by applying the oils and fats tax as has been proposed, by the elimination of MCAs and, above all, by the application of differentiated price support in a sensible manner to those who need it most rather than flat price support across the board. The latter system has brought us to the impasse we have now reached of producing more than we need and enriching those who are already over-supplied with the goods of this world. They are being made richer, and if we go through with the budget as proposed, then we shall perpetuate that. We shall eliminate the poorer people on the land, and we shall lengthen the dole queues of which we are all so very conscious.

Mr Eisma (NI). — *(NL)* Mr President, it is really rather strange that we should be having a debate at this time because we are still negotiating with the Council. I can tell you that D'66 is very disappointed with the Council's attitude towards the 1984 budget, at the moment at least.

We find this attitude incomprehensible. With the Council's inability to take decisions principally to blame for the lack of progress in the Community, we feel the Council is being extremely haughty in ignoring the political signals sent out by the European Parliament during the first reading. How laborious the decision-making process in the Council is when it comes to matters that will bring progress in the Community, and how miraculously quick the voting in the Council is when it is a question of calling a halt to these developments in the Community.

Eisma

Mr President, I do not need to repeat what many Members have already said: we are very dissatisfied with the Council's position on agricultural expenditure, on industrial policy, on compensatory payments to the United Kingdom and the Federal Republic of Germany. Parliament can react in various ways. As the dispute over the budget is principally a dispute between Parliament and the Council, we must turn our attention to the Council. We approve the amendment tabled by the Committee on Budgets calling for reinstatement of the 145 m ECU in payment appropriations. Before we take our final decision, there will be further consultations between the European Parliament and the Council tomorrow to discuss these payment appropriations, which are intended to help expand Community policy on development and cooperation, energy, research and industry. We should tell the parliamentary delegation headed by Mrs Scrivener that it might convince the Council of the need for the reinstatement of these payment appropriations if it points out that these are extremely good examples of a replacement policy in the Community. In other words, part of what is spent on the Community's development aid, energy, research and industrial policies can be deducted from the national budgets. We must bear that in mind tomorrow. We will keep emphasizing this point. The Council does not after all have any alternative to offer, not even after the summit meeting in Athens. Had the situation been such that policy that does not cost any money had been developed, such as environmental legislation and the internal market, then things would have been different. Unfortunately, we find there is no prospect of our being offered this alternative, certainly not after Athens.

Mr President, we look forward to tomorrow's consultations with interest and we shall not, of course, decide on our position until after tomorrow's meeting. But we are hopeful that a satisfactory solution will be found. We have no need for further aggravation of the crisis, but the Council will also have to make a major contribution if that is to be prevented.

Mr Saby (S). — Mr President, the Stuttgart Summit identified the real problems — the Athens Summit failed to solve any of them. It did, however, go to prove a point which Parliament, and particularly its Committee on Budgets, has been repeatedly making, namely that the problems are interdependent — whether it be the CAP, budget contributions, the new policies, enlargement or future financing. The Community is a system of forces in unstable equilibrium and one cannot change one of them without affecting the others — at the risk of upsetting the whole.

We are sorry to find that the European Council has lived up to expectations i.e. that it failed to find

within itself the political will to produce solutions to the problems which it had itself posed in Stuttgart. The consequences are serious, both for the Community internally and within the context of the world economic balance.

When we come to the second reading of the 1984 budget Parliament must live up to what is expected of it and to do this, it must act lucidly and with firmness and consistency. Lucidly? Yes, because we should avoid empty threats which can only aggravate the situation. We must not forget the constraints imposed on the national budgets by the need to combat inflation and the assault of the dollar — and here we should remind ourselves that in the last thirty months the ECU has lost over 30 % in value, which means a heavy blow to the Community's economy. We must act with consistency: last year, and again at the first reading, Parliament pronounced on the common agricultural policy in both its structural and conjunctural aspect, on the interim measures concerning the contributions of the United Kingdom and Germany, both of whom must unconditionally observe the letter and spirit of the Treaty of Rome for the time being. It finally pronounced on the need for new policies, for example in European industry and research. Each of these was a declaration of Parliament's convictions and desires, each was a proposal expressed in budgetary terms, as much in the 1983 budget as in the first reading for 1984.

And Parliament must also show itself to be firm. Firm, in order to arrive at the adoption of the 1984 budget, but, as has already been said, not adoption at any price. Yes, we are against the rejection of the budget.

In fact, the difference between the first reading and the proposals put forward today in the Committee on Budgets is relatively small in percentage terms and we can hardly imagine that the Council would take upon itself the responsibility for a second fiasco by refusing to negotiate on the Committee's, and Parliament's, proposals.

We also need to be firm because the European Parliament is well aware that the Community cannot wait indefinitely, from one Summit to another, for the gap to grow into a gulf which will swallow it up. We all realize that the budget which we must prepare, discuss and adopt will not last many quarters, even months, because we have already arrived at an impasse on the common agricultural policy, an impasse over giving effect to the new policies. We are in an impasse which cannot go on eternally.

We say that the Council must quickly demonstrate that the failure of Athens does not mean the final collapse of the Community. This is why the Committee on Budgets and this Parliament must negotiate with the Council, now and tomorrow, in a responsible spirit but, I repeat, lucidly, precisely and firmly.

Mr Notenboom (PPE). — (NL) Mr President, ladies and gentlemen, I do not know the origin of the idea that Parliament would demonstrate its displeasure or powerlessness after the disappointing summit meeting in Athens by rejecting the budget, but it is not the feeling in my group, because it realizes that we face negotiations, which may be tough, and it is only then that we can make our views known.

But we must beware — and this applies to presidents of parliaments too — of being too quick to make statements, which may well be well meant but, either through translation or because of differences in the way things are done in the various countries, are misinterpreted and help to give rise to such ideas, which are then so difficult to kill. It would be stupid and negative for Parliament to react in this way. I believe that Parliament must certainly bear the link with Athens in mind, and the speakers I have heard have all done so, since they have said that Parliament is the first institution after that non-institution the European Council to make European political noises. That is our duty, now even more so than before. We must make positive noises, and the Council and Commission must help us in this respect. We have certain powers, but we cannot serve the European cause alone.

I should just like to say a word of appreciation to our rapporteur, Mrs Scrivener, because it is incredible the amount of time a rapporteur must spend, the amount of energy and resourcefulness he or she must muster to find their way through the complicated budgetary provisions laid down by the authors of the Community Treaties. Few people have any inkling of this, and I should like to thank Mrs Scrivener for what she has done so far. I should also like to thank Mr Giorgiadis, the President of the Budget Council, for his personal contribution to the atmosphere in which the last conciliation meeting was held. He ensured that there was a genuine discussion, that everyone's question was answered, that a conciliatory atmosphere reigned. That was his contribution. He must be thanked for this, especially as he is a former colleague of ours. Our disappointment with the decisions taken does nothing to alter our feelings in this respect.

What do we want to achieve now? What I say now is nothing new: I am merely repeating in different words what my friend Mr Langes has just said. We want the Council and the Commission to put us in a position where we can make positive noises to show the people of Europe that Parliament is hopeful and that the majority of its Members want to help Europe to make further progress. It is partly symbolic and partly real, and symbolism can also be real. We want to say — and Mr Giorgiadis made it plain during the negotiations on the amounts to be paid to the United Kingdom and the Federal Republic that he felt the same — without meddling with these amounts and without putting any Member State at a disadvantage, that there must be an end to the suffocating effects of

the idea of the *juste retour*. That is what we want to show. That is something that is very real. We do not want to harm any of the Member States, and we do not want to change any of the amounts, but we do want to change the budgetary set-up in this respect.

I have said that there has been some relaxation in the Council over this, more than when the Heads of Government might have taken decisions or given some sign as regards adjustments to the agricultural policy. They did not do so, and we must keep resources for agriculture in reserve, because there is now a greater need than ever for this policy to be adjusted, in the interests of agriculture itself. If we let things go on as they are and fail to adjust the agricultural policy, the time will come when there is absolutely no money left. In the interests of agriculture itself, which are fully appreciated, a larger amount must therefore be placed in reserve. And, Mr Tugendhat, we probably cannot manage to do this without the Commission's help. As Mr Fich has implied and Mr Langes and Mr Rossi have said, an 'amending letter' is needed.

The Treaties are very clear about the authority they grant and require the Commission to take initiatives, for example. Initiatives for the distant future are needed, well-considered initiatives, but impromptu initiatives too, because it may be a good thing for the Commission to take initiatives in the middle of consultations, since without such initiatives the Council cannot, of course, or probably cannot, change its final word during the second reading. But if the Commission takes initiatives, it may do so and the negotiations may then be brought to a successful conclusion. I hope so, and my group is counting on this budget to give a sign of hope in this respect too.

To conclude the last point of what I call the strategic triangle is that we want to see the new own resources, which do not yet exist, used for industry, to improve competitiveness, to strengthen the economy and thus to improve social conditions in Europe through industry, through the investment of several hundred million ECU in industry, with the proviso, of course that this money cannot be spent until own resources have been increased.

If these three points are accepted, a sign of hope can be given and Parliament will make it clear that it is not shirking its duty, that it is not allowing its courage to wane, that it is hopeful about Europe's future. We cannot do this on our own. I call on the Council and Commission to make it possible for us to achieve this.

Mr Newton Dunn (ED). — Mr President, we should think for a moment about what our purpose is this week because we have reached a very important point. I believe that our purpose is to continue to shape and advance the Community and therefore to benefit the

Newton Dunn

citizens of Europe. Now one option which many speakers have already referred to is to reject the budget which would be a protest against the unmoving nationalism of the leaders at Athens and their failures to do anything about the severe problems that we face. The failure to decide by those national leaders, incidentally, was yet another illustration that their practice of unanimity abjectly fails the citizens of Europe. The Commission put forward proposals for solving our problems; Parliament gave its opinions; the Council fails to decide. They have let the people of Europe down. And I want to give a warning to the Council — the public is not blind to your failures. You are playing Russian roulette. Parliament will not pull the trigger; you will pull it yourselves sometime in the coming year, and the consequence will be a weakening of your powers because the public in Europe knows what is going on and will demand a transfer of powers — perhaps not immediately next year, but ultimately as a consequence of your failures — a transfer of powers to the one body in Europe that is democratically elected, democratically accountable and shows itself capable of making decisions, and that is the European Parliament.

Now our task this week, Mr President, is not to make the Council's position worse; they are doing that very successfully themselves. We do not need to participate in their failures. What we have to do is show the citizens of Europe that the European Parliament can reach agreements, can map the course ahead for Europe in 1984 — across political differences and across national boundaries — for the benefit of all our citizens.

That is our role and if I may refer to one specific example: I have a draft amendment signed by a number of colleagues to line 431, which places a small but significant sum to help finance medical aid for fishermen of the Community who become ill in ports of the Community which are not their own. There is no money at the moment to finance the medical treatment for these fishermen, and to put a small sum of money to help them is one way in which we can advance the creation of Europe, providing the cement between our countries. Parliament voted overwhelmingly for this amendment at the first reading; the Council, of course, rejected it. We must restore it when we vote on Thursday. We have to remain calm and confident and demonstrate to the people of Europe that it is this Parliament which is emerging as the true leader of Europe and not the Council of Ministers which is repeatedly failing the citizens. So we have to vote for a realistic, fair, positive and non-discriminatory budget on Thursday. If you, the Council, refuse our amendments, the proposals that we are making as a democratic body, we reserve the right, as other speakers have said already, to use our full budgetary powers, and do not mistake this, the public will understand.

Mr Baillet (COM). — *(FR)* Mr President, we are to debate today the second reading of the 1984 budget. Such a debate, for which there is provision in the Treaty, tends usually to be fairly formal. It comes before the last consultation with the Council, before Parliament arrives at its final decision.

This year, the debate is no longer routine. Last week's failure of the Athens negotiations cannot but reflect both on our proceedings and on the content of the conciliation which, according to form, should take place tomorrow.

The Athens failure in fact reflects on all the most sensitive points of the Community's life: own resources, common agricultural policy, the British contribution, the enlargement — all of which, in turn, reflect on the budget.

The Budget Committee's rapporteur has acquainted us with the conclusions reached by the committee last week. I should now like to give you the views of the French Communist and Allied Members.

At the second reading the rapporteur proposes an increase of 145 million ECU in non-compulsory expenditure, on which Parliament has a say. On this we only have one comment to make. It concerns the Community's contribution to combating world hunger and the aid to be granted to the ACPs and the developing countries which, we believe, should be considerably increased.

The Council has decided to place in reserve, earmarked for the common agricultural policy, an amount slightly higher than that it proposes in the draft budget. We do not agree here with the Parliament which, at the first reading, wanted to put 825 million ECU into reserve. In the report we are asked to keep to this figure at second reading. We do not agree — for the same reasons as at first reading. We still believe that this reserve can jeopardize the incomes of family farmers which are already suffering from the crisis raging in Europe.

But there is another reason. This agricultural expenditure is compulsory expenditure, and, by the terms of the Treaty, Parliament cannot put forward new proposals at second reading: this is why we cannot support Mrs Scrivener on these proposals.

As regards the proposal to create a European industrial area, the Council did not agree to the commitment appropriation of 1200 million ECU, putting in instead a token entry.

The rapporteur proposes a negotiable amount which could be determined during tomorrow's conciliation. We consider that the Council's token entry is already a considerable advance, and anything that helps to strengthen Europe's industrial potential against the American and Japanese assault has our support — provided, of course, that investments are made in sectors which create employment.

Baillot

Finally, on the question of the British contribution our position is known to all. I shall remind you of it briefly. We consider that the temporary arrangements have gone on too long and Britain's overpayments in 1980 and 1981 should not result in any entry. We have said this many times. But, furthermore, we think that when the Council refuses to put into reserve the rebates intended to offset Britain's and Germany's contributions, as Parliament had asked, it is making a very questionable decision. It is in contradiction with the Council's own commitments. The European Council in Stuttgart had indeed envisaged these appropriations, but according to the minutes, which any one can read,

'their entry could only take effect in the 1984 budget once definite decisions had been taken on the future financing of the Community'

Since no decision was taken in Athens, there is nothing to justify their being included in the 1984 budget. This is why at second reading we have tabled an amendment to freeze these appropriations.

These, then, are our comments on the debate before Wednesday's meeting of the Committee on Budgets and our final decision on Thursday. Tomorrow, there will be more conciliation. Some people in France and elsewhere expect Parliament to reject the budget and thus force the Community to live on the provisional twelfths, a situation which this Parliament, which was elected in 1979, has already experienced. Others hope for it as a piece of parliamentary sensationalism. We shall know the answer in the next few hours.

As far as we are concerned, while not wishing to dramatize matters, we feel that after the Athens fiasco, Parliament's decision will not be of critical importance for the future of the Community. We think that on both sides, in the Council and in Parliament, a sense of proportion can be the beginning of wisdom and we hope that that is what this Assembly will find on Thursday.

Mr Brøndlund Nielsen (L). — (DA) On behalf of the Liberal Group, I want to warn of the very serious situation which threatens the common agricultural policy and European agriculture, as things stand in general in the Community at the present time. I hope, Mr President, that the budget is adopted, so that the functioning of the Community is not impaired any further than it already is. But the agricultural policy must be assured of funds, and there must be reasonable price adjustments in the spring for the coming production and harvesting year; the reserve amounts which now remain after the Council's deliberations must — and this can be done, as many have pointed out, in the form of a written communication from the Commission — be earmarked for this purpose. Here the Commission must show constructive will in following up the lead it took this summer. Parliament

has long since in various reports stressed its views and shown its willingness to accept adjustments to the common agricultural policy.

If these things are not done, there is a risk that the agricultural policy will be eroded, that it will quietly disintegrate, that the price rules in particular will disintegrate, especially for milk, as we have unfortunately seen happen to meat. Thus agricultural policies will once again become the subject for action at national level, and this is a threat to the common agricultural policy, which has been a mainstay of the Community. It is also essential that we secure resources for the healthy existence of the agricultural sectors, since they have always been and must continue to be a key element in a stable Europe.

IN THE CHAIR : MR PFLIMLIN*Vice-President*

Mr Flanagan (DEP). — Mr President, once again the Heads of State and Government have failed to reach consensus on anything, and in doing so, have failed the Community itself. I accept that we in Ireland have been given a breathing space over the increased levy on milk production but with the uncertainties still hanging over us, Irish farmers will have no incentive to expand in any direction. They are condemned to stagnation for another year and when you realize that 10% of our GNP depends on agriculture, the effect of disagreement in Athens is a disaster for the economy of the poorest Member State. The effects of recession are already catastrophic with unemployment figures climbing rapidly to nearly 20% of the workforce. Reform of the CAP cannot be carried out at the expense of the *acquis communautaire* nor by imposing disproportionate penalties on our farming community. Farm production has to be planned a year in advance and not only Irish farmers but those in all Member States are going to be hit by the same uncertainties, by the inability to plan, loss of earnings, and a reduction in their spending power.

This disagreement in Athens therefore could — though I hope it does not — mark the beginning of the end of the Community as we know it. It is a tragedy for us all that the intransigence of one Member State can halt the development of the Community; the creation of new policies and the financing of those already in existence. And indeed it is very sad to hear Mr Balfour speak at one moment about the need for compromise and the need to pass the budget and for discussion and conciliation for the purpose of so doing and the next use militant, indeed military, language when he talks about rebates and says we approach this battle with relish and then warns the Parliament of the grave peril of disregarding a decision taken by an entire national group. That is an attitude which does not reflect a Community

Flanagan

spirit, which is what is needed above all else and which is always missing at European Council meetings. Each of the 10 leaders appears to be determined on all occasions to look after his or her own narrow national interest. They fail to realize that overall benefit for the Community will mean extra benefit on the domestic scene as well.

Mr President, on another occasion, Members of this Assembly decided to legitimize the European Parliament by instituting *liceat*. It was a mistake. It is still a mistake, and what we need is a Community of Member States working together for the common good. Instead it seems in Athens we laid the foundation stone for a simple free-trade area with each Member State going its own way and that is not what the Community is about. I much prefer the approach of Mr Newton Dunn — and here I do agree with Mr Balfour — that we should take a hard nosed attitude to the Council of Ministers and to their failures. I think, indeed, implicit in the creation of the European Council itself was the possibility that the Council would renege on its responsibilities and simply pass on the problems as somebody would pass a ball on a football field. It is regrettable, but I believe like Mr Newton Dunn and others — and there are many others here who share this belief — that the power will have to come ultimately to the Parliament since the Council of Ministers is showing itself so great a failure.

Mr Pשמazoglou (NI). — (FR) Mr President, I shall speak in French in order to be able to address directly the Committee on Budgets and its rapporteur, Mrs Scrivener.

I wish to express my support for the committee's analysis of the position and for its efforts to reach an agreement with the Council of Ministers.

Having said that, I think we should hold to the principles which motivated this Assembly in voting for the 1984 budget at first reading.

I am also glad to hear that most of our colleagues are opposed to a resolution hostile to the Council, which would lead to another fiasco, after that of Athens. Last week's fiasco was a failure by the governments, a political fiasco.

I also wish, Mr President, to draw your attention to the fact that the budget that we are going to adopt for 1984 has been drawn up while we were waiting for a solution to the priority problems identified by the Stuttgart Council.

I would also remind you that the budget we shall be voting is a weak budget. All the governments say they want to combat unemployment and inflation. But this budget is insufficient for any such purpose. We should realize that, and bring it home to our governments.

I believe that the resolutions we shall be voting the day after tomorrow should be a clear reminder that we

need political decisions, particularly on the following points.

First, we should assert our desire and our determination to exercise our constitutional powers.

Secondly, as regards the public relations aspect — and Mr Saby has just pointed out that these are quite independent questions — the technical solutions have been found. They have been proposed by the Commission and by the Ministers and by the officials of the Greek Government, a few weeks ago. Well, these problems are fundamentally of a political nature. It is up to the governments, therefore, to do their duty and draw the necessary conclusions.

Finally, our resolutions should stress the fact that the Community's present resources are altogether inadequate to allow us to do our duty fully.

What we need, in conclusion, is to urge our governments to act quickly to meet the expectations of public opinion in our countries. Our responsibility before the peoples that we represent in this Assembly is at stake today.

Mr Balfe (S). — Mr President, five years ago this Parliament, new to the job of trying to shape the Community budget, chose the extreme instrument of rejection in an endeavour to change the priorities which had governed our financial spending up to that time. In the interim period we have repeatedly tried to reform that budget both in terms of agricultural expenditure and in terms of the way in which the Community is financed. This Parliament has looked at successive reports, most latterly the Arndt report, on the future financing of the Community and all of them have come to the conclusion in one way or another that ability to pay and the relative prosperity of countries should be an important factor. Yet today we are facing the inevitable crisis which we appear to face with increasing regularity and increasing gravity without coming any nearer to that basic solution of an unbalanced budget in which agriculture does take a disproportionate share and one in which it is widely conceded that ability to pay is certainly not a very forward criterion in deciding who does actually pay.

Some of us on this side of the House would say that the budget suffers from another very serious defect. That is that the incidence of expenditure and of revenue raising is disproportionately in favour of the richer areas of the Community and the richer people within it. The financial failure of the Community also relates to the fact that we have failed to help the poor. The agricultural policy, unpopular though it may be, is also unpopular with the poorer farmers because there are areas of this Community where the common agricultural policy does not help the agricultural interests of the poorer farmers. One only has to look at the structure of farm incomes in countries like Greece and the Republic of Ireland and certain parts of

Balfe

France to see that the common agricultural policy is not a policy for the support of farmers, it is a policy for the production of food which benefits the richer farmers much more than it benefits the poorer farmers and benefits the richer areas more than it benefits the poorer areas. Within Great Britain it benefits the richer farmers as opposed to the poorer farmers.

So we have a distribution of income which means that inevitably money is redistributed from the poor to the rich, whether it be between countries or within countries. We believe that restructuring does not mean finding other things to waste money on, restructuring does not consist in finding programmes which are particularly able to be tailored to the United Kingdom, for instance, without any reference to whether those programmes are needed. Restructuring also means tailoring the European Community to the needs of the poorer people within it.

But I will echo Neil Balfour very strongly on one point. I would not like this House to be under any illusion. All of the British Members are quite clear in their own minds that this problem of the German and British rebate must be solved by this Parliament in such a manner that the money is put on the line in a non-compulsory way, but none the less it is unacceptable that it be frozen. We believe on this side of the House that the proper challenge is to challenge the British Government to spend the money, to spend it on social programmes, to spend it on transport, to spend it on energy, to spend it on the creation of wealth and to spend it on the programmes which are needed to help to revive the cities, to help to revive the transport infrastructure of the United Kingdom. We are not afraid of accounting to this Parliament for the way in which that money is spent. We believe that it will be spent in a way which will provide jobs and will provide economic well being and that it is a justifiable return.

As we come up to the election, this is our election budget. It is a pretty sad budget. From this side of the House it represents a failure. For the workers of Europe, whether they be British workers, French workers, Greek workers or any other sort of workers, the common market has not come to grips with the economic crisis. It has failed to provide jobs, it has failed to control multinationals, it has failed to create the essential infrastructure of wealth which is needed to float the Community off if there are to be jobs and prosperity again. Working people in Europe have been let down by this institution as they have by many others. We, in common with many others, have failed to pioneer a way out of the slump and it is our people, our workers, who are the ones without jobs, the ones on social security, the ones who are living on the margin of life. It is irrelevant what their nationality happens to be. So far as we are concerned, they

are working people who deserve better from this Parliament than they have got. The next European election will be posited around these demands and this budget is the first step along that road. We must increase the social content of it and reduce the content of it which is merely the rent to capital.

Mr Früh (PPE). — *(DE)* Mr President, ladies and gentlemen, I am tempted to comment on Mr Balfe's speech. One thing is clear, and that is that an attempt is being made to construe this budget with the next elections in mind. No one can expect the European Community to solve all the problems which the various countries have such difficulty in solving on a budget equivalent to only 2% of the national budgets.

This debate is overshadowed by the Athens Summit. We are aware of this, and it is an oppressive burden. But it is also, I think, an opportunity and a moment of truth. I am certain it has become apparent that this Europe is not the Europe of the national governments. It cannot be, if a consensus is to be reached. The founding fathers of the European Community would not have concluded treaties and established European institutions to which they entrusted Europe's development if the problems could simply be resolved by agreements or talks — even top-level ones. The European Community is based on treaties and institutions. And that is why, in these troubled times, our hour has come, the hour of Parliament as an institution that has been strengthened by direct elections and given a mandate by the peoples of the European Community. It is also the Council's hour. As budgetary authorities having equal rights Parliament and the Council are dependent on one another with respect to the budget and must co-operate in order to prevent the impression prevailing in many countries that Athens was a fiasco and a setback from gaining a foothold and further damaging the European Community's already bad image.

It is not easy for us — and I agree with Mr Langes and Mr Notenboom here — to reject or accept this budget. It has been clearly stated, I think, that this will depend on conditions which I prefer to call goals. Knowing me you can guess that I am going to talk about agricultural policy rather than repayments to the United Kingdom or the Federal Republic of Germany, or industry, or other problems. I think we are now willing to adjust this agricultural policy to the changed circumstances.

The Curry report reflects the aims and terms of agricultural policy reform on which our political group could accept this budget. This is not a matter of either/or, nor is it a matter of our arguing for instance about allocating 50 or 100 m ECU more or less to the reserve. Each of us knows that in reality this can often depend on other factors. Nobody here can predict how things will develop — world markets, the

Früh

economic climate, etc. — so we cannot determine any exact figures. All that matters is that we are clearly willing — and here I appeal to the Council — to place a substantial sum in Chapter 100. This will also increase our chances, I believe, of achieving a result.

I would regret it very much — speaking also on behalf of the farmers — if this budget were not to get a majority vote, compelling us in such a critical period to apply the provisional twelfths system next year and robbing us of an opportunity to show Europe new goals, new routes and new destinations. It would be a truly bitter disappointment for the peoples of the Community who will soon be giving us a mandate for the second time to represent their interests in dealings with the other European institutions. It would be a sad disappointment if we could not give this report, on which the rapporteur of the Committee on Budgets has worked so hard and on which I complement him, our backing at this crucial moment.

Everything really depends on how willing we are to co-operate with one another to fulfil the tasks assigned to Parliament and the Council in such a way as to recreate a Community of nations whose institutions have been given a mandate to promote the European cause.

Mr Alavanos (COM). — *(GR)* Mr President, I would like to make four comments concerning the debate on the budget.

Firstly, we European Members of the Greek Communist Party do not view the budget from the standpoint of the conflict between Council and Parliament. We look at it against the background of the more general economic and political developments within our territory. So, what do we see in relation to the budget? The governments of the Community Member States come here wearing their Community hats, but they are too stingy to give a penny piece for the smallholders, the unemployed, or for provisioning aid. But what happened a few days ago in Brussels? The same governments, this time wearing their NATO hats, planned to spend huge sums for the purchase of conventional weapons from America. This is a scandal, to the cost of working people in Europe. So long as the Community budget operates within the framework of a liberal, but also militaristic, monopoly-oriented policy, it will remain a budget of frugality for working people.

Secondly, the disagreements at the Athens Summit shed considerable light on the nature of the 1984 budget as well. Though the Greek Prime Minister may have presided in name, the essential protagonists were Mrs Thatcher, Herr Kohl and others. There were squabbles between the strong, between the monopolistic groups and in all the large countries, each striving to grab the largest slice of the cake. All we have said about redistribution to the benefit of the

South was shown to be self-deception, both for the 1984 budget, despite the Greek Presidency during the voting on it, and in the more distant future.

Thirdly, in our opinion it is unacceptable to continue giving rebates to Mrs Thatcher and Herr Kohl. That is the real redistribution taking place — a redistribution, in fact, favouring the UK and West Germany, and to the cost of our own country. Does Mrs Thatcher have economic problems? Let her set aside her demands for the return of 100 million ECU, let her leave the Community budget alone, and let her siphon off resources from the 2.5 billion ECU her government spent this year for military purposes.

Fourthly and finally, we disagree with the blocking of the agricultural expenditure already passed by Council, and even more so with the attempt to increase it, proposed by the European Parliament. Why should Greek smallholders, among others, bear the brunt since blocking means a conservative prices policy as Commissioner Tugendhat said a little while ago? The Greek Minister for Agriculture and President of Council spoke a few days ago about increases of 0 to 3%, whereas we have an inflation rate of 20%.

Those are the reasons why we are against the 1984 budget as formulated at present. We shall make clear our specific attitude after the votes on the amendments.

Mrs Calliope Nikolaou (S). — *(GR)* Mr President, every year the tone of the European Parliament's debate during the second reading of the budget is influenced by the harsh realities imposed by the Council of Ministers' decisions. Both the size and the structure of the 1984 budget reflect the impasse in which the European Parliament finds itself today, not only in the financial sector but in all other respects as well, institutions, policies, etc.

All our hopes for the future had hinged on the Athens Summit. And it must be admitted that the Members of the European Parliament were quite realistic in their aspirations. They did not expect solutions for every problem from that meeting, but hoped that at least certain general guidelines on common policy would begin to become apparent, which might support some hopes of emerging from the crisis and building a new Europe characterized by social justice and economic balance. The results of the Athens Summit not only came as a shock, but were also an infuriating provocation, not just for Parliament but for the people of Europe as well. Indeed, the course of the deliberations gives the impression that the leaders of Europe's larger countries were determined not to discuss their problems in a spirit of cooperation and understanding. Why did this happen? Was it lack of imagination, or indecision about the proposals relating to the solution of the problems?

Calliope Nikolaou

To be sure, the problems Europe is facing today are difficult, but for their solution there is no lack either of imagination or of proposals. The basic obstacle is and still remains the inability to balance out national interests, and the lack of political will to find a correct solution.

What is Parliament's role in the aftermath of the Athens Summit failure? We must keep faith with our own decisions. As is known, during the second reading Parliament is bound by the compromise it proposed at the first reading and the ingredients of that compromise are indeed a very small contribution compared to the urgency of Europe's present problems. For this reason, at least during this phase, Parliament must be seen to be united, and determined to insist on that compromise.

Firstly, the rebates to the UK and Germany must be entered in Chapter 100, because we made an explicit decision not to accept other *ad hoc* solutions unless there was some prospect of a permanent solution.

Secondly, to insist on recording a substantial sum for financing the Community's industrial policy, especially industrial research which will indeed play a key part in the Community's future development.

Thirdly, to bring back all the amendments we submitted at the first reading.

We hope that Council will respond to Parliament's demands. If, however, it fails to do so, we must not hesitate to reject the 1984 budget because Parliament should not play a rubber-stamping role, but point the way towards emergence from the crisis.

Mr Protopapadakis (PPE). — (*GR*) The vote on the budget in its final form, which we will be called upon to participate in the day after tomorrow, will be greatly influenced by our attitude to the result of the Athens Summit. We must therefore take a more general view of the matter, beyond the arithmetical relationships that appear in the budget. I stress this concept because the self-criticism practised by some in connection with the difficult position in which we find ourselves provides an opportunity for anti-Europeans to level criticism at the institution of the Community itself. The self-criticism applied by those of us who believe in Europe, aims to help us find solutions to the present impasse concerning the budget, for the good of Europe. In contrast, the criticisms of the anti-Europeans are made with cunning motives, aiming to contribute to the dissolution of the Community, and I am sorry that this was done in Parliament this very evening, by the representatives of the Greek Communist Party.

Our debate on the budget, our disagreements, the conflicts between Members expressed at the Summit, are the kind of things bound to occur in a democratic environment. It is our duty to face this situation calmly, and not to allow the anti-Europeans to drive

us into a panic, nor to give them opportunities to infiltrate public opinion gradually with the impression that the EEC has had its day.

The budget crisis we are going through is not a crisis that should lead to dissolution. It is a crisis that should lead to development. The Community budget is still based on the same principles that it was at the very beginning. However, the Community of Ten, or of Twelve, is not the same thing as the Community of Six. Thus, our policy needs a review that will be expressed in budgetary terms by an increase in own resources and by an appropriate distribution of expenditure among the new policies and development programmes that will be implemented. Such programmes include the integrated Mediterranean programmes that will give Europe a new dimension, and will contribute to making of the poor, agricultural population of the far-off Mediterranean regions a productive cell in Europe to the benefit of those regions themselves, but also of the Community as a whole.

However, if all this is to happen, we need courage, we need effort, and above all we must have faith in the need to live united in a European Community, making of course the necessary concessions and paying our dues to the budget. I am, however, distressed to see that the Greek Presidency has shown little sign of such faith. If it truly believed in the Community and in the European ideal, it would succeed at the end of its six month's tenure, not of course in solving all the problems, but at least in leaving the way open towards one day achieving the agreement we all desire concerning budgetary matters.

Whenever economic matters are being debated, the atmosphere is always highly charged, because the budget's figures must reflect our thoughts clearly. Thus, unless this faith exists — and I repeat this because I think it is very fundamental — and if the Community's Presidency should by ill chance fall into the hands of people who do not have faith in the Community, we will not be able to resolve our dilemmas. However, I am confident that the faith in the European Community held by the remainder of its component parts will help us soon to find a solution to the problems that concern us.

Mr Pranchère (COM). — (*FR*) Mr President, at the first reading Mrs Scrivener gave joy to the anti-peasant forces by blocking 5 % of the EAGGF appropriation. Fortunately, this ploy was countered by the Council, but as the Athens meeting has shown, nothing has been settled either as regards the 1984 budget or the future.

The Athens fiasco was above all Mrs Thatcher's fiasco. She went back without her cheque and she had to swallow her vexation which a British paper, the *Sun* expressed in more or less these terms: 'Just think

Franchère

what we could have done with this money for our unemployed and our hospitals. Instead, it is these useless French peasants who are going to be in the pink'. Need I comment?

Athens has shown that with a little more firmness and determination — in which, in his time, Mr Giscard d'Estaing was lacking — Mrs Thatcher would not have pulled it off in 1980 and we would not be where we are today. We are, in fact, suffering the consequences of our weaknesses and the compromises of that time. But nothing is lost yet and it is better to have disagreement than a bad compromise in which our national interests would have been sacrificed.

Enlargement has once again been indefinitely postponed, the hundreds of peasants from the French Midi who will be demonstrating tomorrow before this building could not be more happy. And so are we, and not a little proud of the fact that we have helped to stop this enlargement taking place, as was scheduled, within a fortnight.

Another success was the fact that the Commission did not succeed in getting approval for its proposals which would have penalized the family farmers in our country. But there is an other side to the coin. Which is the reason why we cannot be satisfied with things as they are. The problems are there. They must be resolved without delay. We shall have occasion to do this during the negotiations on the 1984/85 agricultural prices which will be particularly important for the future of the CAP and European construction.

We also ask you to keep your heads in the campaign of panic which is being orchestrated by the Commission from Brussels. Mr Dalsager has already announced that the price increases may be in jeopardy. Alarmist rumours fly everywhere prices are to be frozen... the increase will be limited to 2%... the price of milk is to be reduced. The Commission is even thinking of a rectifying letter before the end of the year to reduce agricultural expenditure in 1984. I have raised the point. I should like an answer. The Commission is building up pressure to prevent proper increases in agricultural prices in 1984 and to slip through, in the price package, those regulations that the Council would not approve in Athens.

Mr Dalsager and Mr Villain, you got a disgraceful 0 out of 10 in Athens. Back to your desks, then, and do your homework again. It needs more than mere copying, you need to do your sums again. In 1984 we can have savings and new revenues which will finance a proper increase in agricultural prices which, for France, should not be less than 10%. In any event, the appropriations proposed to offset the British contributions which we want to put in reserve, will be

quite enough to allow proper increases to the agricultural prices.

Mrs Lentz-Cornette (PPE), — (FR) Mr President of all the amendments which we have proposed, the Council accepted only one. When I say 'we', I mean the Committee on the Environment, and the amendment concerned 200 000 ECU for consumer information measures. Naturally, therefore, we have introduced some thirty amendments through the Committee on Budgets.

The big question that we should like answered is this: How does the Council intend to put into effect the three action programmes on the environment that were adopted by successive Councils? With what financial means does it propose to carry these out and to coordinate activities at national and regional level? We have to face the facts: protection of our environment, of our European 'homeland', cannot be had for free; whenever something is 'free', it is someone else who has to pay. We are very much afraid that in this case, too, it will be others, the generations to come, who will bear the cost of our, and your, failure to act.

We can already see that policies of prevention pay, and that they benefit the individual citizen. It is so much cheaper to legislate for the prevention of pollution than to pay for accidents, when the cost of repairs, compensation and rehabilitation have to be met. Besides, more equitable conditions of competition would help to consolidate the European market. What is more, it would be possible to manage natural resources so much better and to conserve them in a much more rational way.

One other question: With what manpower resources does the Council propose to implement, monitor, and above all, curb the effects of the very numerous directives, the many regulations and opinions that we have drawn up in the course of endless debates? We find it difficult to relate the generous scale of the environmental programmes and of the public health guidelines adopted by the Council to its policy concerning manpower and financial resources. We could almost say that they are in inverse proportion: the bigger the programme, the less money and personnel are available.

It is surely a case of 'The Parliament is willing but the Council is weak'.

President. — We shall now suspend the debate which will be resumed tomorrow morning.¹

(The sitting rose at 7.45 p.m.)

¹ Agenda for the next sitting: see Minutes

ANNEX**Commission action on European Parliament opinions on Commission proposals delivered at the October (I and II) and November 1983 part-sessions**

This is an account, as arranged with the Bureau of Parliament, of action taken by the Commission on amendments proposed at the October (I and II) and November 1983 part-sessions in the framework of Parliamentary consultation.

A.I. Commission proposals to which Parliament proposed amendments that have been accepted in full by the Commission

1. Report by Mr Sälzer closing the parliamentary consultation procedure on the Commission communication to the Council (COM(83)143 final) on the :

- (i) draft decision on structures and procedures for decision-making in the field of science and technology,
- (ii) draft decision on management structures and procedures and the coordination of Community research, development and demonstration activities.

The Commission sent the Council an amendment to its proposal on 7 December (COM(83)735 final).

Commission's position at debate : Verbatim report of proceedings, 13 October 1983, pp. 286-7.

Text of proposal adopted by Parliament : Minutes of 14 October 1983, p. 28.

A.II. Commission proposals to which Parliament proposed amendments that have been partially accepted by the Commission

2. Report by Mr Moreland closing the parliamentary consultation procedure on the Commission proposal to the Council (COM(83)816 final) for a directive on the conditions under which non-resident carriers may operate certain national transport services within a Member State.

An amended proposal based on Article 149 of the Treaty has just been sent to the Council (COM(83)732 final). This text corresponds to Parliament's amendment No 6.

Date transmitted to EP : 8 December 1983.

Commission's position at debate : Verbatim report of proceedings, 13/14 October, pp. 334-335.

Text of proposal adopted by Parliament : Minutes of 14 October 1983, pp. 71-72.

3. Second report by Miss Forster closing the parliamentary consultation procedure on the Commission proposal to the Council (COM(81)590 final) for a directive on tariffs for scheduled air transport between Member States.

As announced at debate on 24 October the Commission intends to amend its proposal for a directive on air tariffs and its proposal for a regulation on application of the competition rules to air transport. It will publish a second memorandum on a Community air transport policy at the same time. More work needs to be done to ensure that these texts constitute a logical, comprehensive package. It is expected that work will be completed by the end of the year.

On this basis the Commission plans to amend its proposal to accept, in part or in principle, Parliament's amendments to Articles 2 (f), 3(1) (a), 3(2), 4, 5, 6(2), 7 and 11.

'In principle' means that the Commission accepts the spirit of the amendment but reserves the right to express it differently in the light of the broader approach advocated in Miss Forster's report, which will be adopted in the Commission's second memorandum.

The Commission's second memorandum on air transport policy will satisfy all the requirements set out in paragraphs 9 and 10 of the resolution.

Commission's position at debate : Verbatim report of proceedings, 24 October 1983, pp. 22-23.

Text of proposal adopted by Parliament : Minutes of 24 October 1983, pp. 10-21.

4. Report by Mr Beumer closing the parliamentary consultation procedure on the Commission proposal to the Council (COM(82)870 final) concerning a twelfth directive on the harmonization of the laws of the Member States relating to turnover taxes — Common system of value added tax : expenditure not eligible for deduction of added value tax.

An amended proposal incorporating the amendments proposed in the resolution is in course of preparation.

Date of transmission to EP : 28 January 1983.

Commission's position at debate : Verbatim report of proceedings, 14 November 1983, pp. 32-34.

Text of proposal adopted by Parliament : Minutes of 17 November 1983, pp. 71-77.

5. Report by Mr von Bismarck closing the parliamentary consultation procedure on the amended proposal (COM(81)773 final) for a Council regulation on the control of concentrations between undertakings.

The Commission endorses most of the very constructive proposed amendments adopted by the House. The main ones are :

Article 1 (1), last paragraph : Parliament proposed that the phrase 'in a substantial part thereof' be reinserted. This amendment can be accepted since it emphasizes the applicability of Article 86.

Article 1 (2) of the Commission's proposed amendment stipulated that the regulation would not apply where the aggregate turnover of the undertakings participating in the concentration was less than 500 million ECU. The effect of this proposal would be that concentrations producing a lower aggregate turnover would remain subject to any national legislation applicable.

Parliament proposed that this figure be raised to 750 million ECU. This amendment can be accepted since Parliament caters for certain special situations (for example, highly specialized markets where the turnover of a sector might be very low) and also proposed that a concentration would be caught by the regulation if the market share of the undertakings participating was greater than 50 % in a substantial part of the common market, irrespective of their turnover in the market as a whole.

Commission's position at debate : Verbatim report of proceedings, 25 October 1983, pp. 44-46.

Text of proposal adopted by Parliament : Minutes of 25 October 1983, pp. 8-15.

6. Report by Mrs Squarcialupi closing the parliamentary consultation procedure on the Commission proposal to the Council (COM(83)173 final) for a directive on the combating of air pollution from industrial plants.

An amended proposal for a directive (Article 149(2) of the Treaty) will be sent to the Council shortly. It will take account of certain amendments adopted by Parliament and further discussion within the Council of 16 December.

Commission's position at debate : Verbatim report of proceedings, 17 November 1983, pp. 342-3.

Text of proposal adopted by Parliament : Minutes of 18 November 1983, pp. 74-85.

B. Commission proposals to which Parliament proposed amendments that the Commission has not felt able to accept

None.

C. Commission proposals in respect of which Parliament delivered favourable opinions or did not request formal amendment

1. Report by Mr Bonaccini closing the parliamentary consultation procedure on the Commission proposal to the Council concerning the annual report on the economic situation in the Community and setting economic policy guidelines for 1984.

The Commission interprets Parliament's resolution as an expression of broad support for the strategy it is proposing to the Council for a joint effort to achieve a lasting improvement in the European economy. In this context it indicated to the Athens European Council the areas in which priority action is necessary. On the economic and monetary fronts, these are :

- (1) extending and consolidating the EMS and making more effective use of instruments for convergence ;
- (2) relaunching the process of financial integration ;
- (3) actively helping to define a stable and credible framework of international economic and monetary relations.

The Commission is pleased to note that Parliament's views broadly coincide with its own and welcomes Parliament's recommendations to the Council in this respect. With reference to the request in point 24 of Parliament's resolution, it confirms that it intends to make full use of the powers vested in it to make recommendations whenever appropriate.

Commission's position at debate : Verbatim report of proceedings, 14 November 1983, pp. 20-23.

Text of proposal adopted by Parliament : Minutes of 17 November 1983, pp. 49-56.

2. Report by Mr Curry closing the parliamentary consultation procedure on the Commission communication to the Council entitled : 'Common agricultural policy : proposals of the Commission' (COM(83)500 final).

The Commission has submitted a series of specific proposals to the Council to implement its plan for reform of the common agricultural policy. As soon as Parliament has given its opinion on these specific proposals, the Commission will inform it of its reactions.

Commission's position at debate : Verbatim report of proceedings, 16 November 1983, pp. 156-159.

Text of proposal adopted by Parliament : Minutes of 18 November 1983, pp. 10-19.

3. Report by Mr de Pasquale closing the parliamentary consultation procedure on the Commission communication to the Council entitled : 'Report and proposals on ways of increasing the effectiveness of the Community's structural Funds' (COM(83)501 final).

The Commission notes that Parliament approves its proposals on ways of increasing the effectiveness of the Community's structural Funds (COM(83)501 final).

As a step towards implementation of the ideas put forward in the report, the Commission presented a proposal for a Council Regulation amending Regulation (EEC) No 724/75 establishing a European Regional Development Fund (COM(83)649 final) to the Special Council which prepared the ground for the Athens European Council.

This proposal amends the proposal presented to the Council on 29 October 1981 (COM(81)589 final), already amended by COM(82)572 final, in line with Parliament's opinions and the second paragraph of Article 149 of the EEC Treaty.

Since substantial changes are involved, the Commission has suggested to the Council that Parliament and the Economic and Social Committee be consulted afresh.

The text has been sent to Parliament already and Mr Giolitti presented it to the Committee on Regional Policy and Regional Planning on 24 November 1983.

Commission's position at debate : Verbatim report of proceedings, 16 November 1983, p. 180.

Text of proposal adopted by Parliament : Minutes of 17 November 1983, pp. 100-105.

4. Report by Mr Fanti closing the parliamentary consultation procedure on stronger Community action in the cultural sector.

The Commission will make every effort to take action in 1984 on the various points raised in the Resolution.

Commission's position at debate : Verbatim report of proceedings, 17 November 1983, pp. 279-280.

Text of proposal adopted by Parliament : Minutes of 18 November 1983, pp. 21-27.

5. Report by Mr Markopoulos closing the parliamentary consultation procedure on the Commission proposals to the Council (COM(83)350 final) for :

- I. a decision adopting a multiannual research and development programme of the European Economic Community in the field of basic technological research ;
- II. a decision adopting a multiannual research and development programme of the European Economic Community in the field of the applications of new technologies.

An amendment to the Commission proposal is being prepared ; this involves inserting a new recital on the role of small and medium-sized firms into the two draft decisions. Assuming that it is approved by the Commission, the amendment will be transmitted to the Council shortly.

The requests in points 2 to 11 of the resolution relate primarily to arrangements for implementation of the programme. The Commission cannot act on them until the Council has taken a decision.

Commission's position at debate : Verbatim report of proceedings, 18 November 1983, p. 345.

Text of proposal adopted by Parliament : Minutes of 18 November 1983, pp. 89-92.

6. Report by Mr Galland closing the parliamentary consultation procedure on the Commission proposals to the Council for :

- I. a decision adopting a programme of research on the decommissioning of nuclear installations (1984-88) (COM(83)298 final) ;
- II. a decision adopting a research programme on reactor safety (1984-87) (COM(83)299 final) ;

and the Commission communication to the Council (COM(83)300 final) concerning a research action programme on the development of nuclear fission energy.

With regard to the request in point 8 of the resolution (periodic report on the technological problems of nuclear safety), the Commission will continue — as in the past — to send Parliament progress reports on its work pursuant to the Council Resolution of 22 July 1975. The last report (COM(81)213) was sent to Parliament on 6 May 1981.

The next report will be sent early in 1984.

Commission's position at debate : Verbatim report of proceedings, 18 November 1983, pp. 308-309.

Text of proposal adopted by Parliament : Minutes of 18 November 1983, pp. 39-40.

7. Report by Mr Van Minnen closing the parliamentary consultation procedure on the Commission proposal to the Council (COM(83)543 final) for a draft recommendation on the reduction and reorganization of working time.

The Commission does not intend to amend the draft recommendation for the moment. The draft currently under discussion in the Working Party on Social Questions is the most that the Council can accept and it would be unrealistic to include a quantified target for a reduction in working time.

The Commission intends to use the European Social Fund wherever possible to promote the reduction and reorganization of working time.

Given the differences between the Member States, it would be premature to consider a framework directive at Community level, even in the long term.

Commission's position at debate : Verbatim report of proceedings, 18 November 1983, pp. 332-334.

Text of proposal adopted by Parliament : Minutes of 18 November 1983, pp. 61-66.

8. Report by Mr Hutton closing the parliamentary consultation procedure on the Commission proposal to the Council for a decision enabling grant aid from the European Regional Development Fund for infrastructure investment projects to exceed the 70% limit for the period 1981-83.

The Commission takes note of Parliament's approval of its proposal (COM(83)530 final/2).

The proposal was discussed by the Permanent Representatives Committee on 24 November 1983 and placed on the agenda for the Council meeting of 29 November when it was adopted as an A item. It will be published in the Official Journal.

No changes were made to the text of the decision in the course of the various procedures.

Its adoption will enable the Commission to take a decision on ERDF aids by the end of the year, subject to the availability of budgetary funds. In particular, it will allow a decision to be taken on aids for infrastructure investments approved — in the form of draft decisions — at the November meeting of the Fund Committee.

The Commission shares Parliament's view of the importance of directly productive projects, covering industry, craft industries and services, in the context of job creation. This is why Article 36 of the Commission's amended proposal for the ERDF Regulation (COM(83) 649 final, 18 November 1983) specifies that 'at least 40% of the Fund's total endowment is allocated to investments in industry, the craft industries and the services sector during a given three-year period'.

This amended proposal also contains new provisions on the co-financing of national programmes of Community interest concerning aid schemes for industry, craft industries and services (Articles 11 to 13) and measures to exploit the potential for internally generated development of the regions (Articles 16 and 17), both of which will help create more jobs.

Text of the proposal adopted by Parliament : Minutes of 18 November 1983, pp. 97-99.

9. Report by Mr C. Jackson closing the parliamentary consultation procedure on the Commission proposal to the Council for a decision determining the general guidelines for 1984 concerning financial and technical aid to non-associated developing countries.

The general guidelines for 1984 were approved by the Council as an A item on 7 December 1983.

The Commission cannot accept Parliament's criticisms concerning the rate of utilization (point 8 of the Resolution). Utilization is satisfactory and the rates for both commitments and payments are perfectly acceptable. The Commission is obviously endeavouring to improve implementation and on-the-spot monitoring of these projects.

Text of the proposal adopted by Parliament : Minutes of 18 November 1983, pp. 105-108.

10. Report by Sir Fred Catherwood closing the parliamentary consultation procedure on the Commission recommendation to the Council for a regulation concerning the conclusion of a Protocol relating to financial cooperation between the European Economic Community and the State of Israel.

The Regulation entered into force on 1 December 1983. The Financial Protocol will enter into force on 1 January 1984, the necessary formalities having been completed in November.

Commission's position at debate : Verbatim report of proceedings, 27 October 1983, p. 237.

Text of the proposal adopted by Parliament : Minutes of 28 October 1983, p. 36.

11. Report by Mr Hord closing the parliamentary consultation procedure on the Commission proposal to the Council for a regulation amending Regulation (EEC) No 482/82 providing for special aid for raw tobacco following the earthquake in Italy in November 1980 and derogating from Article 12a of Regulation (EEC) No 727/70 (COM(83)345 final).

Parliament has asked the Commission to provide clarification and take specific action. Parliament's requests and the Commission's replies are as follows (the letters and numbers correspond to the letters and numbers in the Resolution) :

B. 'believing that these funds designated for natural disasters should be utilized without delay'

Reply

In a telex sent by Mr Villain to Mr Moroni in July, the Italian authorities were asked to take the necessary steps to ensure that all the funds (40.3 million ECU) could be paid by 31 December 1983.

C. 'disturbed that the designated emergency aid of 20.3 m ECU for the earthquake in question which occurred nearly three years ago has not yet been utilized'

Reply

Since the initial aid allocation (20.3 million ECU) proved to be completely inadequate in the face of real needs, the Italian authorities were unable to start distributing it.

D. 'questioning why the requested aid is now three times the amount estimated at the end of 1981'

Reply

The Commission's first proposal was based on estimates supplied by the Italian authorities for the worst-hit areas. These initial estimates were found to be far too low when the full extent of the damage was established.

E. 'questioning whether the local administration is competent to determine and distribute efficiently the Community emergency aid'

Reply

The level of aid was fixed by the Council, not the local administration.

F. 'concerned that the Italian Government two years after the earthquake felt obliged to request a further 20 m ECU which would be required to deal with the numerous applications from tobacco growers and processors'

Reply

The Italian Government did not request additional aid two years after the earthquake. It made the request two months after the deadline for the submission of applications, namely, 31 August 1982.

G. 'questioning why the estimates of earthquake damage to the tobacco sector in the region could not be calculated immediately after the disaster'

Reply

Given the extent of the earthquake, damage was assessed globally rather than by sector.

H. 'cognisant of the high cost of the Community tobacco sector, which is 745 m ECU for 1984'

Reply

The cost of the tobacco sector to the Community in 1984 will be 658 million ECU, not 745 million ECU. The increase in expenditure in recent years is entirely due to the accession of Greece, which accounts for approximately 40 % of Community production.

1. 'Calls upon the Commission to ensure that the Community aid of 40.3 m ECU is wholly devoted to actual losses directly related to the consequences of the 1980 earthquake'

Reply

Regulation No 482/82 stipulates that the provisions of Regulation (EEC) No 729/70, the general regulation on the financing of the common agricultural policy, apply *mutatis mutandis* to the management and control of this expenditure.

2. 'Requests the Commission to ensure that the Italian Government completes the necessary legislation in due time to enable the complete aid package to be made available to the earthquake victims'

Reply

The Commission is seeing to it that measures are taken nationally to pay the aid to the earthquake victims. The 40.3 million ECU will be transferred to the Italian treasury in early December 1983, at least 20.3 million ECU will be paid out by the end of December and the remainder will be spent in the following six months.

3. 'Requests the Council and Commission to place a time limit of six months for applications for emergency aid under Chapter 69'

Reply

The deadline for applications expires on 30 August 1982.

4. 'Insists that the proposed additional expenditure be funded from Chapter 69 of the 1983 budget of the European Communities'

Reply

The additional expenditure proposed is entered in Chapter 69 of the 1983 Community budget.

5. 'Calls upon the Commission to investigate urgently the tobacco sector of the Community to ensure that Community aid is being properly utilized and to publish a full report on the findings'

Reply

The Commission conducted a detailed investigation of the level and effectiveness of tobacco premiums in 1982. The findings have been widely distributed to Member States and trade organizations.

In conclusion, there are no differences of opinion between Parliament and the Commission

Commission's position at debate : Verbatim report of proceedings, 27 October 1983, pp. 252-253.

Text of the proposal adopted by Parliament : Minutes of 28 October 1983, pp. 43-45.

12. Report by Mr Fuchs closing the parliamentary consultation procedure on the Commission proposal to the Council for regulations fixing the Community's generalized tariff preferences scheme for 1984.

1. Parliament's 18 November 1983 Resolution on the GSP for 1984 largely endorses the Commission's proposals and makes no recommendations for changing or extending their aims.

2. However, point 15 of the resolution urges the Commission to initiate studies into :

- (i) the actual benefits of the GSP for beneficiary countries
- (ii) the effects of the GSP on industry and employment in the Community
- (iii) the effects of the GSP on ACP exports.

3. The study referred to in (i) above was already requested in Parliament's Resolution on the 1983 scheme. During 1983 appropriate steps were taken to make the necessary funds available and to define the issues on which the study should focus in association with a research institute.

As soon as Parliament's further desiderata ((ii) and (iii)) were known the generalized preferences department contacted the research institute (HWWA — Institut für Wirtschaftsforschung, Hamburg — Institute for Economic Research) to come to some agreement on how the study could be reworked to meet Parliament's wishes.

The Commission considered the feasibility of this study on 7 December.

4. It is expected that the study will take six months. The findings should therefore be available to Parliament during the second half of 1984.

Text of proposal adopted by Parliament : Minutes of 18 November 1983, pp. 101-3.

13. Report by Mr Patterson closing the parliamentary consultation procedure on the Commission communication to the Council entitled 'Report and proposals on ways of increasing the effectiveness of the Community's structural Funds' (COM(83)501 final).

Points 4 and 5: Parliament's desire to play a more active role in medium-term planning

In his speech to the House on 16 November 1983, Mr Giolitti quoted Article 6 (2) of the Council Decision of 17 October 1983 on the tasks of the European Social Fund: 'The Commission shall forward to the European Parliament and the Council the [Fund-management] guidelines drawn up in close consultation with the Member States, *taking account of any views expressed by the European Parliament...*'

In his speech Mr Patterson welcomed the fact that Parliament had been consulted on the management guidelines for the Social Fund for 1984 to 1986. This was one of the 'happy outcomes' of the conciliation procedure on the Council Decision on the tasks of the Fund. He added that the meeting on these guidelines had been very fruitful.

He went on to express the hope that Parliament would be allowed to play an even more constructive role in medium-term planning.

Point 8: Raising of Social Fund intervention rates

Article 5 (1) of the Council Decision on the tasks of the Fund states that 'Fund assistance shall be granted at the rate of 50% of eligible expenditure, without however exceeding the amount of the financial contribution of the public authorities of the Member State concerned.'

However, Fund assistance is increased by 10% (i.e. to a maximum of 55%) for projects in the French Overseas Departments, Greenland, Greece, Ireland, the Mezzogiorno and Northern Ireland.

Point 10: Recipients of Social Fund assistance

Article 4 (2) of the Council Decision of 17 October 1983 on the tasks of the Social Fund states that the following people over the age of 25 are eligible for Fund assistance:

- the unemployed or those who are threatened with unemployment
- women who wish to return to work
- the handicapped
- migrant workers resident in or moving to the Community
- the employed, particularly those working in small- or medium-sized undertakings who require retraining with a view to the modernization of those undertakings
- instructors, vocational-guidance or placement experts, development agents.

Point 11: Access to Social Fund assistance for non-profit making organizations

Private organizations, including voluntary and charitable bodies, have access to Fund financing on the same terms as for the previous Fund. Projects submitted to non-profit making organizations must be 50% publicly financed in order to qualify for 50% Social Fund assistance.

National public financing is a guarantee that the project will be completed.

Point 13: Budgetary problem

Parliament's remarks are addressed to the budgetary authority, not the Commission.

Commission's position at the debate: Verbatim report of proceedings, 16 November 1983, pp. 179-180.

Text of proposal adopted by Parliament: Minutes of 17 November 1983, pp. 45-98.

14. Report by Mr Davern closing the parliamentary consultation procedure on the Commission communication to the Council entitled 'Report and proposals on ways of increasing the effectiveness of the Community's structural Funds' (COM(83)501 final).

1. The text is a Commission communication to the Council, not a proposal for a regulation.

2. Parliament endorses the Commission's definition of the main objectives of agricultural structures policy and the various measures to be implemented under the aegis of the EAGGF Guidance Section to attain them.

3. However, there are a number of issues on which Parliament and the Commission differ. The following three points might be mentioned :

- Point 7 : it is not true that 'any defects which may be revealed in the agricultural structures policy are due above all to a lack of coordination in its objectives'. There are many structural problems and the main factor hampering the effectiveness of structural policy is the limited funds available. It is precisely the shortage of funds that has led to the coordination of a number of financial instruments.
- Point 9 : although the Commission agrees with Parliament that integrated development programmes are effective, it would not rule out other specific measures where the need arises.
- Points 16 and 17 : the Commission feels that the lack of funds has limited the effectiveness of structural policy in the past, which is why it has advocated a doubling of appropriations for the Community's structural Funds over five years. But it considers it unrealistic, in present circumstances, to hope to exceed this target. Even a doubling of appropriations would be a remarkable achievement.

Commission's position at the debate : Verbatim report of proceedings, 17 November 1983, pp. 177-179.

Text of the proposal adopted by Parliament : Minutes of 17 November 1983, pp. 88-93.

D. Information on aid for natural disasters granted since the last part-session

Emergency aid to non-member countries

Financial :

| <i>Country</i> | <i>Amount</i> | <i>Grounds</i> | <i>Administered by</i> | <i>Date of decision</i> |
|----------------|---------------|----------------|------------------------|-------------------------|
| Lebanon | 1 000 000 ECU | War | IRCC | 23 November 1983 |
| Ethiopia | 250 000 ECU | Famine | UNDRO | 18 November 1983 |

Intra-Community emergency aid

| | | | | |
|---------|-------------|--------------------------------------|---|------------------|
| Belgium | 300 000 ECU | Earthquake in Liège | — | 14 November 1983 |
| Italy | 250 000 ECU | Earthquake in Emilia-Romagna (Parma) | — | 30 November 1983 |

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IN THE CHAIR: MR VANDEWIELE

Vice-President

(The sitting was opened at 9 a.m.)¹

Mr Paisley (NI). — Mr President, I want to raise a point of order with regard to the release of a report on Northern Ireland. This report by Mr Haagerup was released yesterday at a meeting of the Political Affairs Committee, but when members of that committee went to get copies of the report before the meeting commenced at 7 p.m. yesterday they were refused and Mr Moore who is on the secretariat of the Liberal and Allies Group, refused members of the report, although he is not on the secretariat of the Political Affairs Committee. It was discovered that the press

had copies of this report before members of the committee. According to Rule 61 all reports should be available in all languages of Parliament, and yet this report is only available in one language — namely in English. What is more, I understand that a report is restricted in the number of pages, and yet this report runs to over 70 pages.

I would ask you to rule, Mr President, on those various points of order.

Mr Haagerup (L). — Mr President, I am sure that Members would like to have the points that have been raised by Mr Paisley this morning clarified.

I only want to say that last night I gave what is called an oral presentation of the draft report on Northern Ireland. There was to be no debate because, following an oral presentation, Members will normally not have

¹ Approval of Minutes — Topical and urgent debate (communication): see Minutes.

Haagerup

had the opportunity to see the document; but it so happened that the text was ready and I therefore took the decision, in my capacity as rapporteur, to release it at 7 p.m. It turns out that during the transportation, half an hour before the report came into the meeting-room certain copies disappeared a few minutes prior to the official release time. It was decided by the committee and by the rapporteur that of course all committee members were to have copies first. I assure you, Mr President, that it could only have been a matter of minutes before a few copies seemed to have got into the hands of people who were not members of the committee. That I deplore, and we are looking into the matter. But there was certainly no conscious breaking of our rules. I can assure you of this.

The fact that it is available only in English is quite normal in that a report is normally drafted in one language and then translated into all the other languages. It was a courtesy on my part that at the time I gave an oral presentation, I made the basic text available to members of the committee.

(Applause)

President. — Ladies and gentlemen, I would ask you for your attention. The matter which has just been raised in the sitting is not on the agenda. It is a matter for the Political Affairs Committee. The rapporteur has out of politeness explained that the Members concerned did in fact receive the text of the report as quickly as possible. On the other hand, he pointed out that it is for the moment only available in one language and that as a matter of politeness we must fix a date on which the report will actually be regarded as published, even if non-members of the committee wish to have a look at it. I would therefore ask you to accept that for the moment and not to initiate an open debate on the matter since it is not an item on today's agenda. If anyone else has questions I would ask them to take the matter up with the chairman or the rapporteur of the Political Affairs Committee.

Mr Sherlock (ED). — Mr President, I wonder if you can inform us when a decision is likely to be reached as to whether or not the Lentz-Cornette report on mercury discharges is to be presented during this session.

President. — We will have a decision in a few minutes.

Mr d'Ormesson (PPE). — *(FR)* Yesterday I was told that the leaders of our parliamentary groups had signed a request for safe-conduct for Mr Yasser Arafat. I seek an assurance — through you, Mr President — that the group chairmen in their wisdom took care to link their request for safe-conduct to an undertaking by Mr Arafat to renounce acts of violence against Israel.

(Applause)

President. — Mr d'Ormesson, your statement has been noted.

Mrs Baduel Glorioso (COM). — *(FR)* Excuse me, Mr President, but I should like Mr d'Ormesson to withdraw his remarks, otherwise I must answer them. I protest, because there is an Israeli delegation here and I object to its presence. The only thing the Stuttgart Summit managed to do was to re-establish links with Israel, which is occupying half of Lebanon, was responsible for Sabra and Chatila and is preventing Arafat and the PLO from getting out of Tripoli alive. It is this that I wish to protest about. If Mr d'Ormesson will withdraw his remarks, I shall withdraw what I have just said.

Mr Wurtz (COM). — *(FR)* Now that my friend, Mrs Baduel Glorioso, has spoken there is nothing for me to say. I simply wanted to ask the President of our Parliament to express his condemnation of the fact that a Minister from a country with which we maintain relations should have made a public appeal to murder on French radio.

President. — Ladies and gentlemen, I would ask you most strongly — and it will be clear to you why — not to initiate an unscheduled debate. I would ask Mr d'Ormesson to direct his question to the Bureau rather than to the House. We shall then be able to consider how to deal with such matters.

1. *Decision on urgency*¹

PROPOSAL FROM THE COMMISSION TO THE COUNCIL (DOC. 1-521/82 — MARKET IN RICE)

Mr Gautier (S). — *(DE)* Mr President, in principle we can approve the decision on urgency. However, I would ask you to make this document available again. I tried to get a copy this morning, but it was not available. As we did not know that this report was on today's agenda, you will understand that we did not bring it along. So I will approve the decision on condition that I receive a copy of Document 82/345 today or tomorrow.

President. — Mr Gautier, I can assure you that you shall have the text in time. Thank you for your helpful comment.

Mr Provan (ED). — Mr President, could you give us a little bit more information as to what the motion is about. I think you said it was about rice, but that is a very general statement. If you could be a little more specific, it might be more helpful.

President. — Mr Provan, it concerned a proposal for a Council regulation amending Regulation (EEC) No 1418/76 for a Community organization of the market in rice, presented by the Commission on 14 June.

¹ See Minutes.

**LENTZ-CORNETTE REPORT (DOC. 1-1142/83
— MERCURY DISCHARGES)**

Mr Sherlock (ED). — Mr President, I merely wish to ask whether we can be assured that all of the documents in all of the languages are available, so that this can be a sensible decision by Parliament. We are taking — as you will have noticed — an increasingly heretical view of Council requests for urgency. Is every document present?

President. — Mr Sherlock, since the vote will take place on Friday — although the request itself still has to be put to the vote — I can assure you that the documents will be distributed in time to everyone in his own language.

**CAROSSINO REPORT (DOC. 1-1138/83 —
TRANSPORT)**

Mr Seefeld (S), Chairman of the Committee on Transport. — (DE) I already tried to point out yesterday that this really is a very important report. We expect the Council to adopt a position on it at the meeting of 20 December. In view of the fact that we are initiating proceedings against the Council for failure to act, it would be quite ridiculous and irresponsible for us not to express our opinion. I therefore request you to ensure that this matter is definitely discussed this week.

President. — Mr Seefeld, I am sure that no one will contradict you. However I am informed that I can give you the assurance that all the documents will be available tomorrow. Therefore if we are patient all the documents will be made available in all the languages.

**NORMANTON REPORT (DOC. 1-1151/83 —
ENERGY)**

Mr Seligman (ED). — Mr President, this report is on demonstration projects for energy savings and alternative energies. It was discussed in June in conciliation with the Council which undertook to adopt it as soon as possible, or do its best to do so. In fact, it has done nothing about it, and therefore the present programme, which has been going for one year, will not be continued any further unless a decision is taken. We have information that the Council is now ready to take a decision on it. Therefore it is essential that Parliament give its opinion on it, so as to enable that decision to be put into force in time for the new year.

2. General budget 1984 (continuation)

President. — The next item is the continuation of the debate on the budget.¹

Mr Colleselli (PPE). — (IT) Ladies and gentlemen, it is not easy for me to express, even briefly, an opinion on the budget, and specifically on the sector of agriculture, not even by referring to the positions adopted by my group.

Perhaps no budget was ever discussed at such a difficult time of such serious crisis for the agricultural sector. Allow me to recall very briefly — seeing that my speaking time is limited — the two divergent positions with regard to proposals — namely, the position of the Council in the second reading of the budget, and the position of Parliament and the Committee on Budgets. With regard to an increase in the compulsory expenditure proposed, the Council is in favour of 367 million ECU, whereas Parliament wishes to confirm — I think — the 539.2 million ECU. And the same situation applies — I cannot quote the figures, because we do not know them — to the transfer to reserve of the millions of ECU for the 'Guarantee' section of the EAGGF, and the drafting of a memorandum for the new industrial policies. Finally, as far as the British contribution is concerned, that is something I do not want to go into, but I would simply recall that the European Parliament had asked for this to be transferred to Chapter 100.

Well now, I think that a few points require emphasis and clarification. I shall merely list them.

First: the inadequacy of the Community's own resources *vis-à-vis* the commitments arising from the Community's agricultural procedures. This is a hard reality, which I think must be removed, because either action is taken that is adequate to the situation in the agricultural sector, and the way it is evolving, or — *tertium non datum* — we shall not be able to discharge our very precise Community obligations.

Secondly: the result of the Athens Summit, which was so disappointing, but which, however, did leave — and I don't know whether this is surprising — a glimmer of light: in fact, immediately after the meeting closed we heard some very positive statements by the Heads of State and Government, to the effect that there are good possibilities of agreement being reached in the near future — so it was said — not only in relation to the key agricultural problems but also regarding a general policy for the development, renewal and relaunch of the European concept. We hope very sincerely that these declarations — which, to tell the truth, have come a little late — will not remain just so many words, or reflect a mere hope, but will express genuine, concrete political will.

Thirdly: action by the European Parliament in regard to the budget, and the Council's powers of decision. Parliamentary action must stop at compulsory expenditure, since the last word on this matter falls to the Council. Here again my time is too short, but I should like to make at least one point, which was also made

¹ See previous day's debates.

Colleselli

by the Committee on Budgets, as I think it will be again: quite apart from what was plotted, agriculture is penalized, in the form of the uncertainty of the farmer. Now the farmer cannot live in a state of uncertainty, since production has its own laws, and there are tight deadlines. We must make up our minds one way or another. Do we want to economize? In that case, institute the requisite checks and controls. But at least get rid of this state of uncertainty in the rural areas, because to allow it to remain is to penalize the farmers and their programmes.

We do not wish to give a vote *a priori* — some against, some in favour of the budget — and certainly not a vote at all costs; we want to vote responsibly, aware as we are that we cannot create further difficulties. We therefore hope that, in its final form, this budget may represent something more than an act of accountancy. And if it has to be a bookkeeping exercise, as the Italian Minister of European Affairs described it recently — I believe on his return from Athens — let us hope that, as far as the general and special problems of agriculture are concerned, it will not be an exercise that is obtuse, unresponsive and totally without perspective.

In the context of this perspective — which, whilst its main problems of immediate urgency are in the agricultural sector, also contains major problems in the general context of European policy, we have, as I said before, to assume a position of responsibility.

I will conclude, Mr President, by emphasizing once again that, when we come to fix the new agricultural prices next March, we cannot ignore certain critical situations and certain expectations. Let us not make this budget, therefore, a closed, inflexible instrument; let us make it an open one, so that on that occasion — which is one of the most important ones, undoubtedly, from the standpoint of the common agricultural policy — there can be a real and rational check on the situation. This is our hope, and these are the conditions on which we are prepared to examine the budget; with our vote, and with a deep sense of responsibility.

Mr J. M. Taylor (ED). — Mr President, I speak only for myself in this debate, not for my group and, as my colleagues would be the first to say, certainly not for the British Government.

Most of us here in this Parliament, directly elected as we have been by all the citizens of the ten nations, have to practise a reconciliation of loyalties and allegiances. In my own case these are my natural affinity for the English Midlands, my loyalty to the United Kingdom and my concern that the European Community should be a success.

Mr President, I want the Community's budgetary problems solved as an English Midlander. I want them solved as a citizen of the United Kingdom and I want them solved as a European as well. My loyalties

converge in this matter and I feel very strongly — as the President of the Commission has said — that whereas the EEC is an economic giant, it remains a political pygmy. At a time when the highest political institution of the Community, the Council, has failed so far to solve our budgetary problems, here we have a chance in this last month of 1983 for Parliament to be constructive and make progress with the 1984 budget.

The fact is that ever since we were first elected the European Community budget has remained lopsided. It is not that we need to spend more, it is simply that we need to get our proportions of expenditure in better order.

Mr President, we would also do well to take budgetary wrangling and disputation off the agenda of the Community's political institutions. Parliament spends too much time talking about the budget. The Council spends too much time talking about the budget. The Commission spends too much time talking about the budget. If we could spend as much time talking about improving our relations with the Balkan States, if we could spend as much time talking about the future of energy supply in Europe, if we could spend as much time talking about transport and communications cooperation in Europe, we would be spending our time far better. As far as my own country is concerned, if we could take these disputes and rows off the European Community agenda, then it would be like taking a thorn out of the paw of British public opinion.

Mr President, this may well be my last speech on the European Community budget in this Parliament. I would therefore like to offer these thoughts to colleagues. There is much to be done here in improving our budgetary procedures. Frankly, the first reading of the budget by Parliament is an exercise in unreality. Our capital accounts are still embryonic and need development.

Mr President, four years ago this Parliament first hit the headlines by chucking out the European Community budget. This December I hope that it will show its continuing maturity by making a degree of progress with budgetary matters in the Community. The Council of Ministers has so far shown itself unable to do so.

Mr Adam (S). — Mr President, is it in order for a political group to stage manage a party political programme in this debating chamber, right in the middle of a very important debate? Why can that film not be impounded? I do not see why any political group should be allowed to make a film in this Chamber for party political purposes.

President. — Mr Adam, that is not a point of order. As I suggested a moment ago when other problems were raised, since you protest against filming and television broadcasts, you should write to the Bureau.

President

You have complained against people carrying out party political propaganda here but your interruption is itself proof of the fact that you yourself are indulging in party political propaganda, in that you interrupted another Member. I would inform you that that was not a point of order. Everyone is free to speak in this Chamber, but he must only do so during the speaking time allotted to him.

Mr Adam (S). — I did not interrupt another Member, Mr President. I waited until he had finished.

Mr Bonde (CDI). — *(DA)* Mr President, I would warn against rejecting the budget and against Parliament's attempts to exceed the margin available to it. I would warn the Danish members, in particular, against voting for all kinds of new areas of activity, for in this situation everybody must know that every krone appropriated to new policies is obtained from Danish farmers. I would also warn the Council against yielding this evening at a night session, for 218 votes cannot be mustered in this Chamber for the rejection of a budget on the eve of direct elections, when every Member has to be out and about meeting voters — in country districts too. It will not be possible to secure 218 votes for rejection, and for that reason alone the Council should not agree to compromises with Parliament and accept anything above and beyond what the objective margin states. In any rejection of the budget, the farmers will be the hostages, and I have the feeling that it will happen partly outside and partly on the basis of the Commission's initiative. I should like to put a question to the Commission: is it true that there are plans under consideration to reduce the refunds in the dairy sector by 25%? What is the Commission's position for the meeting on Thursday of the administration committee for milk? The situation we are now in is exceptionally serious for our farmers, and I call on the Commission to give an answer before the vote on Thursday.

Mrs Veil (L). — *(FR)* Mr President, for the fifth time since the beginning of its present term of office the European Parliament has to deliver an opinion on the Community budget and, as in previous years, this budget is being considered in an atmosphere of confrontation with the Council so that some people are wondering whether it is going to be adopted or not.

This state of affairs is nothing new. Each year we have the same scenario. At the preliminary draft budget stage the infant seems healthy enough, we discuss, we listen to each other, we proclaim common objectives and our desire to reach agreement. Come the first reading and everything starts to go wrong. Parliament made the mistake of taking at face value what were nothing but fine words and promises for the future — a future constantly deferred.

In response to the amendments adopted by Parliament to pinpoint the most urgent and pressing

problems — the fight against unemployment and hunger — and to demonstrate, at least symbolically, the importance of certain Community policies, the Council says 'niet' in the form of a ukase.

Where would we be if, all of a sudden, taking that attitude, what I call the 'shaddock' attitude, with apologies to our non-French colleagues — the 'shadocks' are cartoon characters whose approach to everything is to say: 'Why do things the simple way, if we can complicate them?' — Well, it's the same in Europe: why should we agree with one another if we can fight one another? That is the spectacle staged for the benefit of all our people, free of charge, between St Nicholas and Christmas, the spectacle of a Community incapable of endowing itself with a budget without histrionics.

Parliament is now accused of compromising the Community's financial balance because of performing its function and alerting the governments and public opinion to the financial deadlock in which the Community finds itself and its lack of a coherent policy. The same critics are thinking of jeopardizing its only real power: the budgetary power. But let us hope that those who care about democracy and the parliamentary control which epitomizes it can stand firm against such intentions.

Let us talk about this budget which evokes such passionate responses, because public opinion could be forgiven for thinking from all the shouting and argument that it is a sizeable budget and that we are splitting hairs. What is it that we intend to do in the Community's name with policies as different as the common agricultural policy, the industrial energy and research policies and significant development aid measures?

The figures are not at all what public opinion imagines and this shows the double talk that goes on where Community matters are concerned. What are the real figures? 27 000 million units of account, which represents 2.5% of the national budgets; thus, when there is a dispute between the Council and Parliament over 100 million units of account — to take the most frequent case — that represents 1/10 000th of all the national budgets together. That is what is called jeopardizing the Community's finances!

I am well aware that this is a time of austerity and I know that for all our countries there are sacrifices to be made, but it is essential today to know what we want and stop Parliament from being for ever made the scapegoat — even though we are used to scapegoats in the Community, since the Community itself is often taken to task by our own governments in their own countries.

And what kind of figure did these same governments cut in Athens? While Lebanon is being crushed under the bombing, while soldiers from three of our

Veil

countries are on duty there, while the whole world and in particular our western democracies are directly threatened by fanaticism, totalitarianism and terrorism — and let me remind you, too, of what happened in Kuwait yesterday — they spent two days discussing compensatory amounts, milk quotas, and the only point on which they managed to agree was not to issue a final communiqué.

The word byzantinism, which has passed into all our languages, should be declared obsolete today. We need to coin another, much more topical, which would serve to denote our crazy inability to create Europe when our very existence, political and economic, is at stake.

I throw the competition open. My own suggestion is 'non-Europeanism' to denote defeatism and renunciation. Yet all the problems are well known, spelled out long ago. And you know what they are. I shall not enumerate them. What is actually remarkable in this unpredictable world of ours is that there is not a single issue, not a single figure, that has not been known to us for a long time, not a single argument that has not been heard before. We have often discussed them here, we have made suggestions, even as recently as the last part-session with the budgetary proposals of our rapporteur, Mrs Scrivener; she won a broad consensus in a Parliament which represents all political parties and all countries, which goes to show that consensus is possible.

Yet our budget debate has all been for nothing. It might never have taken place. The show went on elsewhere, in Athens. Everyone knew his part off by heart, no need for the prompter. And I shall not be so unkind as to name the characters by referring to Shakespeare or Grimms' fairy-tales. Each of them produced his favourite lines. They were reported to us by the press not as if our future was being decided but as a farce. The audience were there too — some 270 million Europeans. And they have had enough! This comedy, this sorry melodrama has ceased to amuse them, for it is turning into a real tragedy for them even if they often find the text obscure.

Now, this has not come about by a deliberate act of will, by perversity — there do exist perverse Heads of State in the world, but ours are not among them — nor by inability, but simply by complacency and cowardice, egotism too, above all presumption and pride.

It is so much more pleasant to go home saying 'See what a great leader I am, you can trust me. I have defended your interests. I have not yielded an inch. Nothing has happened. You can sleep soundly. Nothing is stirring in Europe'. Yes, nothing is stirring in Europe, but Europe is dying.

What should Parliament do in these circumstances? First of all, proclaim the facts, declare loud and clear

that, if decisions continue to be passed from Council to Council, there will be no Europe left, no agricultural policy, no new industrial policy, no development aid. And there will be no political Europe, either, for a politically integrated Europe is impossible without a viable economic Community. There are some who will rejoice. The Soviet Union certainly, that is what it has always wanted. Perhaps stupidly enough the United States, too, or Japan, for we would then make easier trading partners. But what a defeat for the free world! If Europe no longer existed, don't let us suppose that we, as isolated countries, could still defend ourselves and play a role in the geopolitical reality of these last decades of the 20th century.

As for the budget, one might be tempted to penalize the Council. If we were a national Parliament, we would have the censure weapon. But that is not the case.

Therefore, at this critical juncture, the Liberal and Democratic Group does not wish to add an institutional crisis to the political crisis. It will do its utmost to see that the Community gets a budget and that, faced with irresponsibility on the part of our governments, we discharge our responsibility as a democratic parliament. However, we cannot agree to just any kind of budget. We want a budget which takes account of the desires of the people of Europe, which takes account of present-day realities and which will make it possible to follow the path to which we are committed, which alone can save Europe and which leaves intact the priorities which we have set out and on which, as I have said, we obtained a very broad consensus. That is our condition. But we still hope to have a budget, for we cannot agree to let Europe die.

(Applause)

Mr Brok (PPE). — *(DE)* Mr President, recently, when he described the European Community, Mr Thorn said that some people were thinking of a shack while others wanted to build a cathedral. I find this a very apt way of putting it. We must admit that within the European Community we no longer all share the common aim of really turning this European Community into a political union. Because we no longer share this common aim, we are no longer able to reach compromises on everyday matters. For lack of a political will, we can no longer muster the necessary strength either when it comes to making economies or to defining new policies. We are faced with major unemployment problems, environmental problems, and yet we are discussing why, in spite of the urgent need to support and maintain European agricultural policy, we are unable to eliminate the milk lakes. We find that all the discussions about the British contribution, about the *juste retour*, about our inability to remove certain excrescences of the structural agricultural surpluses, have led to nought. We have become unable to really resolve the problems of the future of this European Community and of the people within it.

Brok

When I look at our technological backwardness and remember that in 1971 the European Community had a 40.2% share of the world production of machine tools while in 1981 it only had 27.9%, it becomes clear that we have lost an important basis for the future financing of our well-being and our social justice. If we cannot survive in this world because of our technological backwardness in these areas, then in future we will no longer be able really to do anything for our citizens. Our wealth derives not from raw materials but from the quality of our scientists and engineers and the abilities of our experts. Unless we give them a chance to catch up by introducing a uniform European research and development policy, we will lose our chances for the future. When I think that as a result of the duplication and triplication of activities in the European Community, we are now spending twice as much on research as the Japanese and only producing half the amount of industrially useful products, something must be wrong. If the national bureaucracies are unable gradually to overcome their national egoism so that joint European projects can be started in specific areas of large scale research and basic research, but instead continue to triplicate and quadruplicate their various activities, this is a sin against the future and against the future generations of the European Community. When we see the Council saying yes in principle to a European strategic programme and to information technologies, but then showing itself extremely reluctant to grant the payment authorizations, when we see, for instance, that in principle it is in favour of the creation of a large-scale industry in Europe but deletes the appropriations of 1 200 million ECU from the budget, it is admitting in principle that our Parliament has taken the right attitude; yet this Council and the national bureaucracies are unable to do what is really right for this European Community. We must aim to ensure that the heads of government and the national ministers really take over the leadership again, that they finally take decisions again, instead of merely reading out the memos from their national bureaucracies to each other in the Council. If the political forces in the governments are unable to take back the leadership from their bureaucracies, we will never manage to do what is necessary for our citizens within the European Community. That is why we must think about a two-speed Europe and why the European Parliament must make full use of its budgetary powers to force the national governments to take better decisions; for otherwise the European Community will be sold down the river.

(Applause)

Mr Price (ED). — Mr President, as Mr Früh remarked last night, this debate takes place in the shadow of the failure of Athens. The difficulty for this Parliament in this debate is that we are, of course, negotiating in private while debating in public. Since those negotiations in private have not yet reached any

conclusion, all that we can do today is outline the approach that we are taking without dealing specifically with the way that we are likely to vote on Thursday. It is on that basis that I approach this debate.

Mr President, the first factor that we need to take into account is the need to try to find agreement within this Parliament. I say that because Parliament is at its most influential and most powerful when it is in agreement and united. When this Parliament has shown a lead to the rest of Europe by uniting, it has commanded respect. I think that we should be trying to achieve such a lead on this occasion above all others, when the Community has such deep divisions following the failure at Athens.

The second thing is to seek agreement between the Community institutions. If the Council is divided, the Community is seen by the public to be divided. In those conditions we ought to try to avoid, as far as we can, any further divisions between the institutions of the Community. However, of course, it takes two to reach an agreement, and we need a constructive attitude on the part of the Council if we are to avoid an institutional difference at this time.

If we do find ourselves in a situation where there is insufficient will on the part of the Council, then we shall have to consider what further pressure we ought to bring to bear. That I believe is the crux of the debate at the moment.

If you kick a human being, it is the person who feels the pain. If one kicks the Council, it may only be one limb of the Council that feels the pain. What this Parliament has done in recent years in trying to bring pressure to bear on the Council is to give it a sharp kick but to produce pain which has only been felt by one-tenth of the Council, namely, the United Kingdom, because the major pressure has been brought to bear in respect of the UK measures. I think that that pressure is now being increasingly recognized as being ineffective. It is no use claiming to bring pressure to bear on the Council and then only taking the action in such a way as to affect one Member State.

Furthermore, I think that there has been a great deal of misunderstanding about the nature of the measures affecting the United Kingdom. It has been seen by many Members of this Parliament as a concession of entirely recent origin that Parliament, and the Community as a whole, should allow these measures whereby special expenditure takes place in the United Kingdom. But, of course, the origin of the measures goes right back to the time of the negotiations for UK entry. At that time it was recognized that the Community needed to develop policies in a whole wide range of fields. This is not a recent issue. It is a very deep-rooted one of a decade ago. At that time it was recognized that if the Community did not develop those other policies, there would be a fundamental budget-

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ary imbalance which would need to be tackled. When the UK joined it was set out in clear and express terms that unless a solution was found to such an unacceptable situation for a Member State, the very existence of the Community would be at stake. It was recognized at that time to be such a fundamental question that a solution would need to be found.

So, Mr President, we are not dealing with something of recent origin, something of minor importance grafted onto the workings of the Community, but something which is of fundamental importance. I urge the House to take that into account in the debate which will be continuing in the next couple of days in private, if not in public, and in the position eventually arrived at by Parliament.

Mr Kyrkos (COM). — (GR) Mr President, we have to view this debate about the budget in the light of the Athens Summit. What happened there? By insisting right up to the end on preserving their own narrow interests the rich partners blocked every arrangement which could have helped the Community to overcome its difficulties. The much-vaunted principle of financial stringency means one thing for the rich countries and something else for the poor countries. The persistence with this principle and the refusal to find the finance for new policies by increasing own resources set the seal on underdevelopment in the less developed countries, consolidate the process of decline in the troubled industrial regions, condemn the poor peasants to their destitution and consign the unemployed to the wretchedness of their fate.

It was not the ability of a small country to manage the affairs of the Council which was on trial in Athens, because the work of the Greek Presidency has been praised by all sides. What was on trial was the policy of the Community's ruling circles, their orientations, their imagination and realism. But it was their utter paucity and failure which showed through. It would be a mistake, dear colleagues, for us to attribute blame for the Athens fiasco on a geographical basis. We must put our finger on it more accurately and blame the bankruptcy of the policy of the ruling circles, of the British Conservatives, mainly, and of the German Christian Democrats, and it is a joke that these forces, and especially the latter, put themselves forward as champions of European integration. The peoples of Europe could say to you: 'We know you, gentlemen', and I hope that, for their own good, they will all remember this lesson, because the road to European recovery and integration involves defeating the reactionary line which prevented an agreement in Athens and which is plunging Europe deeper into crisis and increasing its overall backwardness *vis-à-vis* the United States.

The European Council has brought Parliament face to face with major dilemmas, and through our votes we

must reaffirm our positions and our demand for rejection of the principle of financial stringency which is profoundly reactionary and against the interests of the Community inasmuch as it has not been harnessed with a vigorous policy for growth. We must reaffirm our call for effective policies in the industrial and research and technology sectors and as regards the restructuring of the common agricultural policy in favour of small and medium-sized producers and the implementation of the integrated Mediterranean programmes.

Colleagues, for the sake of the Community's future, which hangs on a solution to the present deadlock and crisis, we call on you, whatever your affiliation, to vote affirmatively on all the amendments which restore Parliament's original proposals and on all those which would transform the budget into a dynamic instrument of growth rather than let it remain an instrument for 'equal' but in essence, unequal, inequitable and backward-looking redistribution of resources.

Mr Alexiadis (NI). — (GR) Mr President and colleagues, the 1984 budget is having its second reading close on the heels of the failure of what, in common parlance, has come to be called the Athens Summit. Blame for the failure to find a solution to the Community's problems cannot be attributed to the government in Athens, and much less so can it be laid at the door of the Greek Presidency. On the contrary, good faith obliges us to acknowledge that the Greek side did its utmost to bring about, if not success, given that the magnitude of the problems and their number virtually ruled this out, at least a convergence of views which can pave the way to a greater likelihood of success in the future.

The reasons for the failure lie elsewhere and consist in the fact that we continue to look upon the Community as a purely economic organization, as a kind of commercial joint stock company. But in an economic organization it is natural for there to be large and small shareholders, large and small dividend payments, debit and credit ledgers and strict correlation between contributions and receipts. If the principle of fair apportionment of burdens and benefits is to prevail in the Community there must exist the political will to extend the advantages enjoyed by the mighty and powerful to the small and weak on an equal basis. The only refunds which could fairly be justified would be those made in the context of an attempt such as this to balance things out in favour of the backward. If the present situation goes on it will lead to the break-up of Europe rather than to its unification. Seen in this light there is no call for lengthy deliberations about the budget. As long as the financial amounts remain unchanged transfers of appropriations in one direction or another are of scant importance.

Alexiadis

The Community needs an injection of revenue. As my ancient compatriot said: 'Money is needed for without it nothing can be done'. And this money can be made available only by the Member States exercising a political will unfettered by small-minded commercial calculation. By itself rejection of the budget will lead to chaos.

Mr Arndt (S). — (DE) Mr President, may I first of all say a few words about the meaning of this second reading, simply because various positions have been taken in the course of the debate which clearly show that those concerned do not understand the purpose of the second reading, as laid down in the Treaties. It is not true that we in Parliament can introduce anything completely new in the second reading; Parliament's position is fixed in the *first* reading. And that is Parliament's view of the matter too. The purpose of the second reading must be that those matters which the Council did not accept in the first reading are once again placed on the negotiating table. So Parliament adopts its final position in the first reading. That is clear simply from the fact that if the Council does not express itself again after the first reading, the budget enters into force in the form in which it was drawn up by Parliament in the first reading. If the Council formally approves the budget, there is no second reading. So the second reading can only have the purpose and the meaning of restoring what Parliament proposed in the first reading.

I am repeating this because yesterday even distinguished Members of this House expressed opinions which are totally inconsistent with the Treaties of Rome and the European Community's budgetary procedure.

Secondly, we should really be combining the budgetary debate with the debate on the Athens Summit, for in adopting this budget and while considering budgetary questions we were naturally also considering the decisive issues raised in Athens: how to check the expenditure on structural agricultural surpluses, the question of finally settling the contributions of those Member States now facing an unacceptable situation, the question of future revenue and future policies. Those were the decisive issues to be debated in Athens — those are the main points and guidelines, some of which this Parliament has been considering for years in its budgetary policy. That is why the outcome of Athens should really also be discussed now. But because of the special features of our Rules of Procedure — i.e., the fact that it is the President-in-Office of the Council who makes the opening speech about the results of Athens here — the two debates are kept separate and we will not be debating the summit until later.

I thought one Member put it very well yesterday when he said that the highpoint of the budgetary debate lay 'in the shadow of the summit'. That is true. Nor do I want to discuss its results now; but I do think one

point is important to this matter of the budgetary debate: the very structure of the European Council, which automatically means that the Councils of Ministers have very little room for play in decision-making. Normally, pursuant to our basic law, the Treaties of Rome, the procedure is that the Commission and Parliament make proposals and the Council of Ministers decides. If that were the case now, we would have advanced a great deal; for then the European Council could fulfil its real task and decide on the policy in basic political questions, instead of fully-fledged prime ministers, chancellors and presidents meeting to discuss details of the organization of the agricultural market or the budget.

That is in fact the fault of the European Council itself. It should be ensuring that the Councils of Ministers decide and then implement the decision for which they are competent. As a result this is never a point at which the Council or Councils of Ministers can decide in the framework of conciliation between Parliament and the Council.

No one should try to assert that any Member of Parliament wants to punish the European Council for the fact that Athens did not work, quite apart from the fact that given its present constitution and the way it met in Athens we can certainly not punish the Council by rejecting the budget. It would not even feel this punishment. A punishment exists only if the person concerned really feels it to be such. No, it is not a question of imposing any punishment in this budgetary debate or by the budgetary decision on Thursday but of doing the best for Europe and its citizens in this difficult situation, in the shadow of the failed Athens Summit, and the best thing would be for the 1984 budget to be adopted, together with the basic political guidelines which this Parliament decided upon in the first reading and will most probably decide upon again in the second reading. Then the citizens of Europe could see that a new, decisive road is being trodden, that Europe is really moving forward, that agreement can be reached on basic questions, over and above all disputes. I have also found during the renewed debates in the Committee on Budgets that virtually all the groups of this House want this new road for Europe. They want to see a light shining at the end of the tunnel again and a way out.

That does not mean that Parliament is resigned — I have not seen any signs of resignation here — it is a reaction to what was said yesterday by the Council and by the Commission: no institution can be allowed to deepen the crisis! And that means that the Commission and the Council must assume their responsibility and take note of the real position of the Members of this House elected by the European citizens in direct elections. That does not mean a duel between Parliament and the Council: if it sometimes looks that way, that is very probably partly due to the way the Council used to treat Parliament's proposals

Arndt

in earlier days. But the Council must realize what is important to Parliament. To put it quite bluntly: if the Council virtually rejects Parliament's proposals during the conciliation procedure, then not Parliament but the Council will be responsible if a majority subsequently votes against the budget.

So the issue is the four points which Parliament considers essential: first, the reserve for agricultural expenditure. The Council did not accept this, although it is well aware that it must remedy the situation and rectify the agricultural budget, since otherwise there will not be enough money for the financial year.

Here it is up to the Commission to assume its role, and I hope the Commissioners will be informed of this again. If the Commission forwards its rectifying letter on this matter to the Council the door will virtually be wide open for us in Parliament. Here I can only support the urgent recommendation made by my colleague Mr Lange of the Christian Democratic Group: this rectifying letter of the Commission is the key for getting out of this difficult situation, and I cannot understand how Commissioners can say that Parliament is right in this matter, and that the rectifying letter is in fact necessary, but that the Commission has still not actually decided to forward the letter to the Council. So I can only hope that the Commission will understand that this rectifying letter — to the effect that 5% of agricultural expenditure should come under Chapter 100 — must be written. Surely, that is not very much to ask and in any case, since this is compulsory expenditure, the Council can unblock the funds again at any time; so the Council could accept this.

The second question is the payment of the money for the United Kingdom. Here again it is surely only a question of a means of putting pressure to bear on the Council to find a definitive solution so that we are not continually faced with this problem.

Then there is the question of industrial and research policy, which is surely one of the most important questions for the future of Europe formulated in this Parliament. Maybe the Council's objection that it has not yet got any final programme is debatable. But that is precisely why, since it is only a matter of commitment authorizations, this is not too serious.

The last point is the fixing of revenue. The Council is now saying that Parliament does not have a say on the level of revenue. As a result, in a situation in which we have reached the limits of financiability with the 1% VAT ceiling, it can virtually disregard Parliament's policy on expenditure. That cannot be within the meaning of the Treaties and we can only urgently request the Council to accept the fact, on this question too, that the budgetary authority consists of the Council and Parliament.

The way my group, and probably also this House, will finally vote, will depend on the conciliation proce-

dure. In its present form, the budget is, to put it quite brutally, a nonsense, for it is untrue. Whether we reject the budget or not, the funds set aside in this budget do not suffice for agricultural policy and corrections will have to be made in any case. There is also talk about whether a supplementary budget will have to be submitted in January or February — in my view this makes it clear that a solution must be found along the lines Parliament proposed in its four points of principle.

Yesterday I heard it said that *the European Community is bankrupt*. That is not true, nor should we pretend that it is so to our citizens. In 1984 the Community has more money, more revenue, than ever before. The only question is how to structure the European Community's *expenditure* sensibly, then we will get through 1984 too. First and foremost this inevitably means dealing with the surplus production.

I repeat, the way this House finally votes will depend on the conciliation procedure. If the Council rejects all this, then Parliament will obviously demand, for the sake of its own self-respect, a return to the decisions of the first reading. I hope the Council and the Commission understand this and realize that a light will appear at the end of the tunnel if agreement is reached during the conciliation procedure on the points of principle put forward here by Parliament and which everyone regards as correct. Make sure that Europe has a future: accept Parliament's proposals!

(Applause)

Mr Adonnino (PPE). — (IT) Mr President, other speakers and members of the Group of the European People's Party have pointed out the salient technical and political aspects of this debate: I shall add a few points by way of conclusion.

In the first place I should like to remind members how far we have come since the days when the budget was considered an accounting document that recorded decisions taken elsewhere. We have gained much ground in the meantime, even though there is still insufficient balance between the Institutions of the Community. Parliament now exerts its maximum influence and political power through its co-decisional role in authorizing the budget.

Then I should like to remind members that the Community's crises have hitherto always been expressed in terms of financial matters, of which the budget is both the qualitative and the quantitative expression. In tackling the political questions connected with the development of the Community, we have sought once again to link the question of the budget with the question of the European Council, with the intention of using the budget as an indicator of possible Community growth, and bringing pressure to bear on the Heads of State and Government through certain decisions that may appear technical, but which have a political significance.

Adonnino

We know — alas ! — that the Athens Summit was a failure. It was a failure from two points of view, both from the decision-taking standpoint — in other words, the content of the decisions that the Summit did not take — and from the point of view of the ability of the organ itself — that is, the European Council — to take decisions. Thus we can see the erosion of the Community taking place, through the inability of one of its three fundamental institutions — the Council — to take decisions.

I think — along with many other members — that we have to react, and I think that it is the moments of crisis that determine reactions, provided that we can find the right paths to pursue. At this time, it is up to Parliament to instil confidence in the peoples of Europe, and show that it is a tower of strength in the Community, capable of taking decisions objectively and unemotionally on matters that fall within its competence, and making full use of its own opportunities to affirm its political policies including, naturally, conciliation with the Council.

In my country we say that, in order to be able to deal properly with legal questions and disputes, you need three things: you must be right, you must be able to show that you are right, and you must also be able to find someone capable of understanding that you are right, and prepared to acknowledge the fact.

Well now, in my opinion, Parliament is right! Parliament also knows how to explain its reasons, as this debate shows. I should like to hope that the Council has the ability to understand them — and this I do not doubt — and, above all, to acknowledge and accept them. When it talks about certain conditions, under which it could accept certain proposals of the Council, it seems to me to show that it lacks this political will. What it has in mind is not the balanced development of the Institutions, but a system of bargaining, to limit the powers of Parliament: and this we cannot tolerate! Parliament made its attitude clear at the first reading; the Council expressed its agreement on some points, but there is still great divergence in regard to certain positions that are of great importance in relation to the lines of development upon which we insist. These include, for example, the concertation of decisions — which Parliament has always declared necessary — regarding the major questions of agricultural policy, such as the increase of own resources, control of surplus production, the control and good use of financial resources in other policies, budgetary equilibrium, and the new policies where action is necessary.

We have shown at the first reading what are the lines to pursue and we have made the point that the second reading provides an opportunity, if necessary, to correct what the Council, at the second reading, has not accepted. After seeing the outcome of conciliation we must therefore consider what to do and what not to do.

Ladies and gentlemen, my group is convinced that, by using our powers — and when I speak of 'our powers' I am thinking both of our powers in relation to the qualification of certain expenditure, and to the margins within which we can move — we can reinstate the majority of the first reading's strategy. It is our duty to do this, and in so doing we shall show that Parliament, as a fundamental institution of the Community, can take decisions, and can use its own powers.

Where we are without power is in that part of the compulsory expenditure that concerns the agricultural reserve. Here, members of the Council, I frankly do not understand you! I frankly do not understand why you have not accepted it. By so doing, you would have confirmed what has emerged already on a number of occasions from your side, namely that action along these lines is necessary: and you would also have known that this was a political indication that should have been reflected in other measures: the *ad hoc* measures presented to the Commission, on which the discussion was opened and which, since they are compulsory expenditure, it would have been open to you to use at a time of real necessity. May I therefore say, members of the Council, that you have not been concerned with good administration but with political power, which is something that we cannot tolerate. And that is why — as has already been recalled — we turned to the Commission, not so much because we do not know how to act with other measures proposed by the Commission itself, and which we hope may be the subject of decisions as soon as possible, but because we consider that the Commission, at this time, can play a decisive part in overcoming this impasse, in ensuring that the compulsory expenditure mechanism between Parliament and the Council is reactivated, and thus in restoring to Parliament the strategy outlined on the occasion of the first reading, which is basic to the decisions that must be taken.

On behalf of the group that I represent I hope that this will be the basis of the discussion that will take place in the next few hours, and that it will be along these lines that, after full consideration, Parliament's decisions will be taken at the Thursday sitting.

(Applause from the centre)

Mr Halligan (S). — Mr President, the fundamental issue in this debate, in my opinion, is whether or not we are going to have a budget for 1984. For me the answer to that question is simple, even if the issue in itself is highly complex. In my view, the Community must have a budget no matter how limited or flawed or unsatisfactory it might be in comparison with the ideal we would all wish for. I can understand and sympathize with the political arguments of those who suggest that rejection of the budget would put pressure on the Council to produce more acceptable long-term solutions; but such a strategy is, at the end of

Halligan

the day, based on a political judgement, and there are here quite legitimate different interpretations as to the efficacy of such a rejection.

For my part, I do not believe that Parliament, in rejecting this budget or causing the crisis to be in any way deepened, will add significantly to the pressures on the Council, because the paralysis within the Council arises from differences which are so deep-rooted and fundamental that they do not require Parliament to take any action which would intensify them. I regard the primary role of Parliament at this moment of crisis as that of securing what has already been achieved over the past quarter of a century and guaranteeing a basic continuity to common Community policies. Otherwise, my belief is that European public opinion will become even more disillusioned, especially in those regions and sectors which depend on Community expenditure. If we reject the budget, we shall be forced into a situation where the Commission is unable to preserve even minimal continuity in essential policies. If the Commission is forced to adopt the system of provisional twelfths, there will be chaos in many areas of Community expenditure even within the first three months of 1984. Those who need Community expenditure most will suffer most from this situation, and those who are best able to absorb expenditure losses will suffer the least. Surely that, Mr President, is an inversion of the Community principle of solidarity to which we are all, at least theoretically, committed.

I know that the rejoinder to that argument is that we must once and for all solve the question of spiralling agricultural surpluses.

I quite agree that there is a basic absurdity at the root of this problem, but I must warn the House against any approach which would punish the innocent and the guilty equally by cutting back on agricultural expenditure. Obviously, the key element of expenditure which Mr Arndt has identified as the cause of the problem has been precipitated by dairy products. In that regard let me define the guilty as those who artificially stimulate production by the use of positive MCAs, the importation of cereal substitutes, the employment of national aids and the continued importation of dairy products from outside the Community. These practices are widespread, and they are mainly used by the larger Member States in defiance of the principles of Community preference and comparative advantage. But because they are the policies of the larger States, they go unpunished, even though they add about 5 per cent to production while depressing demand by about one and a half per cent. That aggregate contributes significantly to the crisis of surpluses.

A short-term solution is theoretically available to us along these lines, but it will not be availed of because it is not in the national interests of powerful Member States to do so. On the contrary, global across-the-board solutions are in prospect which will be inequi-

table in their incidence, both regionally and with regard to those who are the cause of the crisis. In any event, the budget must be reformed in the long term so that the Community does not have to depend periodically on adjustments to the methods by which it derives its own resources and which must, inevitably, in the nature of things, provoke crises of major proportions.

The current sources of revenue are neither logical nor exhaustive. They must be replaced by a system based on real income per head in each country. Until that is done there will be no solution. In the meantime, I intend to vote for stability and continuity. Otherwise, there will be no long term.

Mr Møller (ED). — (DA) On a point of order, Mr President, we agreed some time ago to allow television cameras into the Chamber during our debates, but I have now been sitting for hours under the floodlights. I have a headache and I am being dazzled by the lights. The condition was that television should not affect our proceedings, but it is doing so to the extent that we are all becoming ill through being here. We are blinded when we leave the Chamber. I therefore propose to the President that he take steps to have the television spotlights removed from the Chamber.

President. — I wish to thank Mr Møller for his remark. Like me he is a member of the Bureau. This is a question which, like him, I personally shall be asking. We should be able to prevent this sort of thing happening. I therefore ask that the lights now be dimmed a little as we shall soon have the official sitting when all of the lights will be focussed on us again.

I ask him explicitly to take up the matter in the Bureau so that we can have a minimum of order where the use of television is concerned.

Mr Chanterie (PPE), draftsman of an opinion for the Committee on Regional Policy and Regional Planning. — (NL) As draftsman of the opinion of the Committee on Regional Policy and Regional Planning I should like to use the three minutes I have been allocated to discuss three points.

Firstly, I wish to point out that, although the Council has accommodated Parliament in some respects, the Committee on Regional Policy and Regional Planning has decided to table a number of amendments to the budget adopted by the Council with a view to restoring the budget to the state it was in at the time of the first reading. These amendments concern commitment appropriations, payment appropriations and remarks, and I would draw particular attention, Mr President, to the remarks entered against Article 500, where it says that the quota section of the Regional Fund must concentrate primarily on regions where the gross domestic product per capita is smaller than the average for the European Community.

Chanterie

We would point out that the article of the Regional Fund regulation which lays down the national quotas expired on 1 January 1982. A new regulation has not been adopted since then, and there is consequently a legal vacuum.

My second point, Mr President, is that, as no decisions were taken in Athens, the problem of improving the effectiveness of the structural funds remains. To be more specific, there is a danger that this will have dramatic implications for the Community's regional policy because of the failure to reform the Regional Fund, which is not the fault of the Commission or the fault of the European Parliament but can certainly be attributed to the irresponsible and hide-bound attitude of the Council, which after three years of negotiation has given ample proof of its lack of European vision.

The citizens of Europe, Mr President, deserve better than this. The Council is guilty of irresponsible management of public financial resources. And this more than justifies taking the Council to the Court of Justice. I shall not hesitate to propose such action if the Council fails to take a decision in the very near future regarding the reform of the Regional Fund.

Thirdly, Mr President, the fight against unemployment still has top priority for the European Community. The Regional Fund is one of the instruments that must be used in this fight to provide aid for infrastructural projects and also for investments in the industrial, craft and service sectors. Although 30% of the resources have been earmarked for these purposes, only part of this amount can be spent if there are not enough projects.

I cannot help thinking that this situation is partly due to the ignorance of undertakings and particularly small and medium-sized firms. It is time the Commission launched a very wide-ranging information campaign to tell people how they can obtain subsidies for economically viable activities.

Mr Adam (S). — Mr President, this budget has three fundamental defects. In the first place, it is technically inoperable. We know that there is going to be a short-fall in income, that the demands on the expenditure side will exceed that income, and the only prospect I can see is that for the whole of next year we shall be getting a series of budgetary transfers from non-compulsory expenditure, where we are supposed to have control of expenditure, to prop up expenditure on the other side. It is an intolerable prospect for next year.

The second defect is that this budget does nothing at all for the 13 million unemployed in Europe. There is no determination to create work. The recognized funds, the Regional and Social Funds, are, as we have just heard, stagnant. There is not a single new initiative in the job-creation line. So, for the 13 million unemployed, and particularly, the under twenty-fives, this budget is irrelevant.

On the medium term the situation is equally as grim. I had hoped to be speaking in this debate as draftsman of the opinion of the Committee on Energy, Research and Technology, but it is only because of the good offices of my group that I can say a word about that. The draftsmen have met the rapporteur at every part-session since February, but in the last fortnight the committee draftsmen have been swept to one side. No attempt has been made to assess committee priorities in the spending areas. Particularly critical is the way in which commitment appropriations have been cut back. The Committee on Budgets made a totally arbitrary decision on the level they would aim for and an arbitrary decision on all the budgetary lines within that. In four lines that decision was particularly perverse: in demonstration projects, in the indirect-action research programme which is supposed to implement the framework programme, in biomolecular engineering, and in the Esprit programme — all inadequately funded as far as forward commitment is concerned. These are supposed to be vital for the future of the Community, and we have cut back on their funding!

It is ridiculous to talk about having an industrial policy in the Community without adequate research, development and demonstration. The result of all this is that the Community is in Skid Alley. We have declining resources, cuts in social and welfare services and even attempts to cut back real wages. That is the direction we are on, and the budget does nothing to reverse it.

President. — I now call Mrs Spaak, whom I congratulate, on behalf of all our colleagues, on her appointment as Minister of State in her country. We offer her our sincere congratulations.

(Applause)

Mrs Spaak (NI). — *(FR)* Mr President, honourable colleagues, President of the Council, thank you for your congratulations.

The budget debate is the moment to point out once again that the European dimension is vital to economic recovery, in particular for the small countries. The new economic structures to be set up call for restructuring and investment on such a scale that small countries cannot bear the cost and risks on their own.

In Belgium, for example, the Walloon region is severely affected by the steel crisis, the Brussels region is faced with problems associated with large urban conurbations such as unemployment, town planning and immigration. Therefore we must stress the importance of the relevant budgetary lines such as research in the field of new technologies, industrial policy and a policy more specifically geared to small and medium-sized undertakings.

Spaak

I am sure that public opinion, which has been badly shaken by the Athens fiasco — and we shall have a chance to return to that in the next debate — would not understand it if the European Parliament were to embark on budgetary manoeuvres which may be justified in themselves but would not answer the legitimate fears of our citizens.

That is why, in the present climate of uncertainty, I feel very deeply that Parliament must play a stabilizing role.

Mr R. Jackson (ED). — Mr President, I think we should go back to the position that we adopted in this Parliament at our first reading of the budget in November, and I should like to address these remarks particularly to Mrs Barbarella and Mr Adonnino. There were two elements in the position that we adopted in November. The first was that we said that when we gave our opinion in December on what had happened at the Athens European Council, we would 'take a decision in accordance with our powers *and without discrimination towards any Member State*'. That statement reflected successful diplomacy by the Conservative Group in getting colleagues to understand that a discriminatory position would not be acceptable. In order to give concrete expression to this non-discriminatory position at its first reading, Parliament did two things. First, it voted to place the 1983 refund to the United Kingdom in the reserve chapter and, secondly, it voted to put 5% of the funds for agricultural price support in the reserve.

Now, various speakers in the House today are seeking to revive this position, and there has been much talk of the integrity and virtue of the position that we adopted at our first reading. It is quite clear that many colleagues do not wish to reject the budget, some of them because they do not wish to deepen a crisis which is already serious enough, others because they are worried about the possible consequences for payments to farmers early next year.

At the same time, there is also a reluctance to discriminate against any one Member State, if only because Parliament has given its clear pledge not to discriminate. And so we are getting appeals for a restoration of the 5% agricultural reserve to provide a kind of counter-balance to the United Kingdom reserve, and there have been appeals to the Commission to introduce a rectifying letter to make this possible. I wish to say to honourable Members that they should be aware that there is a false symmetry in placing the British refund in the reserve chapter alongside 5% of the agricultural guarantee support. This may look non-discriminatory, but in reality it will discriminate. Why do I say this? Quite simply, the fact is — and surely we all know it — that the nature of the agricultural reserve would be such that the Council could withdraw the money at any time, whereas, as far as the British

money is concerned. Parliament would continue to have a veto. So I urge the Commission not to introduce a rectifying letter, because that rectifying letter would be simply a fig-leaf to cover Parliament's retreat to the discriminatory position which it has disavowed.

Does Parliament seriously intend to try to block this payment to the United Kingdom for 1983 — a payment agreed by the Community Prime Ministers at Stuttgart in June? I must say that I cannot take this threat seriously. The fact is that the Community's revenues are running out — they will expire probably by September of next year — and the United Kingdom simply will not agree to increased Community resources unless, firstly, the CAP is reformed and, secondly, we have a long term solution to the British problem. Now this is also the position of the European Parliament in the Arndt report, and I do not believe that the British Government is going to change its position — nor do I think it should change its position — in response to pressure from the European Parliament on the 1983 refund. And I would remind the House that this is pressure inconsistent with all the European Parliament pronouncements and resolutions in the Arndt report. I say to this House that the only effect of any attempt to block these payments to Britain in 1983 would be to introduce a distracting irrelevance into negotiations that are already excessively complicated.

(Applause)

Mr Lange (S), Chairman of the Committee on Budgets. — (DA) Mr President of the Council, Mr Vice-President of the Commission, Mr President, ladies and gentlemen, we have found during this debate that the position of the Council — namely that the 1984 budget has nothing to do with the questions that were discussed in Athens — is wrong. The entire debate here has been dominated by regret for the fact that no decisions were taken in Athens. All the questions we have been discussing for years and that were formulated in very precise terms in the last six months with regard to the policy that this Community must pursue if it is to make progress have remained unanswered. That is true of agricultural policy and it is true of the situation of the United Kingdom and the Federal Republic. We want a lasting solution, not an *ad hoc* solution or patching up. It is also true of all the other political areas in which we have the rudiments of a policy but which must be developed further. These include the industrial sector, to give this Community an economic and social constitution which will make it viable tomorrow and the day after and also enable it to compete on the world market, so that first of all we can survive and, secondly, we can strengthen our relations with the outside world, especially the third and fourth world countries, and give them a rational shape. We have

Lange

agreed that the main issue is to fight unemployment and hunger in the world by all the political means at our disposal. We put forward specific ideas in the first reading, and some of our Members have emphasized in this House how important those ideas were.

Mr President of the Council, today we will be opening the conciliation procedure and will be putting our position again. We must expect the Council to accept Parliament's position, the position we fixed at the first reading. So the Council must show flexibility. It must make a move in the matter of agricultural policy, it must make a move on the question of the United Kingdom and the Federal Republic, on general political questions and on the specific question of industrial policy, and also on development policy. It is not just a question of checking surplus production in the agricultural sector — that is one of the Council's basic obligations — but also of adopting a position which will make it possible, in respect of certain areas for which nothing can be achieved by a reform of agricultural policy, to formulate regional policy in such a way as to ensure that the imbalances in the budget which create a disadvantage for some Member States are removed.

Those were the points put forward in the first reading, and will remain the issues of the second reading — as you have no doubt elicited from this debate — and of the conciliation.

With the Athens Summit we had set a definite time-limit, and we must ensure that the answers which were not forthcoming in Athens are forthcoming from the Council and the Commission as soon as possible. The Commission must create the necessary conditions to enable the Council where appropriate also to give legislative answers. In other words, the Council must fulfil certain obligations, to show the public that it is seriously resolved to get things moving and to draw the necessary conclusions from the failure of the European Council in Athens, so that this Community can continue to take positive steps forward. If the national egoism that emerged continues to predominate, the Community will be virtually finished. But those who were in Athens know full well that they need the Community and cannot exist without the Community. The necessary conclusions must be drawn from that too. I trust that each one of us, not only in Parliament but also in the Council and the Commission, is sensible enough to realize that by continuing to adhere to national and egoistic positions he will do damage to himself too and not only to the Community as a whole. None of the Member States alone is able to deal with the problems facing us as a result of the general world economic trend. We need one another and the Council should draw the necessary conclusions for its part too from this 'we need each other' in the negotiations with Parliament which are due to start this evening.

The Council should move in the direction we proposed at the first reading. We said: accept the budget in the form in which we proposed it; then we will be prepared to rectify it as quickly as possible in the first weeks of the new year if the facts prove different. This still applies, for the fact that Parliament wants the restoration of its position in the first reading also means that we will be putting the same basic questions to you again and expecting the appropriate answers from you. So during today's conciliation it will largely be up to the Council to show whether it can agree within itself to take the corresponding political action. The Council should not try to declare once again that it cannot negotiate or take decisions on this or that question and that those are questions for other Councils. As a general policy instrument, the budget must also be able to expect the Council, which has budgetary authority, to give the answers which are — and I am deliberately putting it this way — politically necessary. It is a question not of technical budgetary or bookkeeping aspects, but of the Community's policy, which will also determine the good or ill of each of its citizens.

What I expect, Mr President of the Council, is that in the next 24 hours the Council will be able to negotiate with Parliament along those lines and reach agreement. That would greatly assist the Commission, you and us in our future activities and then the budget question would not be as critical as some Members of this House have described it.

I appeal to you, Mr President of the Council, to persuade your Council to use its political sense, on behalf of the Community, of the needs of the Community, and not to pursue national egoism. That is the small difference, which will make a great difference. Then we will all be able to live reasonably with the Community.

Mr Georgiadis, President-in-Office of the Council. — (GR) I had not intended to speak for a second time, but the challenge put down by Mr Lange gives me the opportunity to say a few words to clarify the Council's position just a few hours before the consultations due to begin this afternoon. I want to say that I have found the honourable Members' speeches, and especially those of Mr Lange and the rapporteurs of the Committee on Budgets, very interesting. It is, of course, difficult for anyone to achieve what Mr Lange has called for on the basis of good intent alone, because the good intent of each presidency is not in itself enough to get things moving at a particular Council meeting. However, I would like to assure you that for my part I shall do everything in my power to get the Council which is due to convene this afternoon to be as flexible as possible in the search for a compromise acceptable to all sides. Nevertheless, Mr President, I want to stress that Parliament must drop its demands for things that are not easily acceptable to the other half of the budgetary authority, and that it

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must come to terms with certain monetary amounts that we cannot exceed. With this hopeful expectation we shall move on this afternoon, Mr President, to the conciliation procedure, and I hope that this will lead to a positive outcome in the vote on Thursday.

President. — Ladies and gentlemen, I not only wish to thank the President-in-Office of the Council, Mr Georgiadis, for the few words which he has spoken and for the offer of his good offices but also for the perseverance and the attention with which he has followed the whole of this debate.

The debate is closed.

The vote will be taken on Thursday at 10 a.m.

(The sitting was suspended at 10.55 a.m. and resumed at 11.00 a.m.)

IN THE CHAIR : MR PFLIMLIN*Vice-President***3. European Council — Greek Presidency — Political cooperation**

President. — I wish to begin by welcoming Mr Papandreou, President-in-Office of the European Council.

(There was loud applause as President Papandreou entered the Chamber)

Ladies and gentlemen, I would remind the House that the vote on the resolutions to wind up the debate on the European Council in Athens will take place this evening at 6.30 p.m. I would further point out that the motion for a resolution (Doc. 1178/83), signed by a number of Members has also been signed by Mr Fanti.

The next item is the joint discussion on

- the statements by the Council and the Commission following the European Council meeting of 5-7 December 1983 in Athens
- the statement by the President-in-Office of the Council on the six months of the Greek Presidency
- the statement by the President-in-Office of the Foreign Ministers meeting in Political Cooperation, on political cooperation.

The following oral questions are included in the debate :

- by Mr Fanti and others (Doc. 1-1077/83), on behalf of the Communist and Allies Group, to the Foreign Ministers :

Subject : Peace and security in Europe and worldwide

Do the Foreign Ministers not feel that the present climate of international tension constitutes a

serious threat to peace and security in Europe and worldwide ?

What steps do they intend to take to help ensure the resumption of the dialogue between the USA and the USSR and international *détente* ?

What bilateral and multilateral initiatives do they intend to take to ensure that the Geneva talks on theatre forces reach a positive conclusion ?

Do they not feel it necessary, in this connection, to postpone the siting of Euromissiles so as to allow time for the negotiations to continue and thus create the conditions needed for their successful conclusion ?

Do they not feel that the massive peace demonstrations which have taken place throughout Europe in the past few weeks demonstrate the people of Europe's growing sense of alarm over the arms race and do they not believe that the desire for peace thereby given expression should receive due consideration ?

- by Mr Cousté and others (Doc. 1-1076/83), on behalf of the Group of the European Progressive Democrats, to the Council :

Subject : Organization of a conference of EEC Member States on Community industrial policy

In view of the economic situation within the EEC and the prospects of a recovery linked with the third industrial revolution, which the Community must seize upon, and given the need to formulate an industrial policy based on the free interplay of the forces of production, is the Council prepared to organize a conference of EEC Member States in the near future to consider present national policies on industrial development and the conditions for a Community policy, and to submit proposals for the Athens Summit Conference in December ?

Is the Council prepared to lay down a clear definition of the role of public authorities at national and European level, limiting all forms of interventionism, and to implement a genuine European industrial policy based on :

- harmonization of the rules governing industrial operations, in particular the legal, administrative and fiscal measures needed to create a genuine internal market within the Community, and
- promotion of growth industries which can cope with international competition and whose activities are directed by technical guidelines and financial incentives ?

President

— by Mr Glinne and others (Doc. 1-1074/83), on behalf of the Socialist Group, to the Foreign Ministers :

Subject : Middle East policy of the Ten

During its January part-session, the European Parliament adopted a resolution on the situation in the Middle East. In March, a statement on the Middle East was issued by the European Council.

Moreover, the PLO's *rapprochement* with Jordan, the diplomatic initiatives of King Hussein and the political developments within Israel are important new factors.

The President-in-Office of the Council is therefore asked :

1. What importance do the Ten attach to the Middle East, particularly in view of the historical responsibility of European states for the present situation in the region, and bearing in mind the enlargement of the Community towards the south ?
2. What part can the Ten play alongside the USA and the USSR in bringing about a peace process in the Middle East ?
3. In the Ten's view, can a people's right to self-determination take any other form in practice than that of a state and, if not, why do the Ten not speak out openly for the right of the Palestinian people to have their own state ?
4. How do the Ten regard the King of Jordan's initiatives and the *rapprochement* of the PLO with Jordan, aimed at securing a Jordanian-Palestinian confederation, and are they prepared to lend political support to the efforts of King Hussein ?
5. Are the Ten ready to exert political and economic pressure on any of the parties involved if one of those parties constantly opposes the accepted principles of international law ?

Mr Papandreou, President-in-Office of the Council
— (GR) Mr President, Honourable Members of the European Parliament. Each President of the European Council at the end of the six months of the Presidency has the duty and the honour to appear before the plenary sitting of the European Parliament to report on the meeting of the European Council.

After the failure of the Athens Summit, of which you are all aware, I think it would be helpful if, in addition to a straightforward report, I were also to express a few more general thoughts of mine on the progress and the future of the Community.

I am aware of the great and justified interest with which the European Parliament awaited the outcome of the European Council in Athens.

In a series of resolutions you have emphasized the need for a 'new departure' to enable the Community to confront the US and Japanese technological challenge, and bring about internal cohesion through the convergence of the economies of the Member States and the abolition of inter-regional inequalities. I regret that it was not possible to reach a decision on this 'new departure' at the European Council in Athens.

The Athens Summit was marked by a singular characteristic. We were not faced with isolated problems which could be examined and resolved one by one. What we were really faced with was to decide what kind of Europe we wish to have. The truth of this may be judged from the answer which we were forced to give on a complex of difficult individual, but inter-related, problems. There was little scope, if any, for resolving one point and postponing a solution to the others. A solution in one area demanded a compensatory solution in another. That was the meaning of the package, or if you prefer, of the overall negotiation. It was a situation generated by the binding mandate issued at the preceding summit in Stuttgart.

The aim of the Athens Summit was to reach a conclusion which — and here I quote from the Stuttgart declaration — would enable us 'to tackle the most pressing problems facing the Community so as to provide a solid basis for the further dynamic development of the Community over the remainder of the present decade', and this, again in the words of the Stuttgart declaration, 'at a time when the European Community is faced with enormous social and economic challenges'.

Broadly speaking, the pressing problems involved were :

- more rational and, as far as possible, more economic functioning of the common agricultural policy.
- more effective operation of the Structural Funds.
- development of new policies.
- solution of budget problems and improved budgetary discipline.
- preparation and implementation of the enlargement of the Community.
- increase of own resources.

We were all aware that these were intractable problems. But we were cautiously optimistic that something positive might emerge in Athens. Our optimism was based on the view that circumstances were very critical for the future of the Community and hence that, after considering the potential consequences, all the Member States would come to Athens resolved to 'work something out'.

It would be idle now to discuss in detail the reasons for the failure on individual topics which on the

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surface at least were of a technical nature, or to speak of the vain endeavours which were made to overcome the differences of view.

Accordingly, I will not linger on the special problems of milk, the monetary compensatory amounts or the levy on oils and fats. Serious problems, no doubt, as Mr Mitterrand said, but ones which prevented a broad examination and solution of the major problems.

Speaking as I am on the outcome of the Athens Summit to an audience elected by direct universal suffrage by the peoples of Europe, I feel it incumbent upon me to discuss the more fundamental reasons for the failure.

The fact that this summit failed was the result, not of recent and random events, but of a process of deterioration which has been going on for years, one of internal erosion and deadlock. Summit after summit has been taking place, each one making well-intentioned attempts to conceal the crisis with statements of good intent. The failure to confront the crisis, however, merely helped to compound matters.

Over the past few years, scarcely anything has been achieved on a common approach to the economic crisis and to the massive unemployment which has afflicted, and is still afflicting, Europe. Combined efforts to bridge the technology gap between Europe and its main economic competitors have been negligible. Nothing of substance has been achieved in the social sector. Virtually nothing had been done to provide the Community with the cohesion it needs, especially after its successive enlargements or for the next enlargement to which we look forward. On the contrary, as you have yourselves pointed out, inequalities have increased rather than diminished within a Community which grows ever less homogeneous.

What is to blame for this inertia? I believe that in recent years Member States' reactions to any proposal have been conditioned principally by their estimates of the effects which its acceptance or rejection will have upon their contributions to or their receipts from the Community budget. It would be an exaggeration, or at least a harsh judgement, were I to say that each party has tried to shift his problems on to his neighbour. But in the meantime scope for postponement has been shrinking all the time. This is partly because runaway expenditure, much of which was and is genuinely wasteful, combined with the effects of the crisis have led to the exhaustion of the Community's own resources, and partly because with the Euro-elections a few months hence, all of us are obliged, or at least ought to be obliged, to say what kind of Europe we wish to see.

This was the situation when we arrived in Stuttgart. There, as you know, the problems were not resolved — that was something entrusted to the Greek Presidency — but there were attempts to identify the problems and to map out a general approach. This

work was expressed in a statement which was binding upon the Greek Presidency. But the guidelines laid down, it transpired, were the product of a delicate balance, a short-term compromise between divergent points of view. In the months that followed, it became obvious that the balance which had been attained was not holding because it was founded upon contradictory or divergent viewpoints.

Expressions of intent to find an answer to the enormous social and economic challenges of our time and to the need to take major action to make the third industrial revolution a success have been countered by statements that all this must take place within the limits imposed by Europe's finances after savings had been made, where they were possible.

In line with the Stuttgart mandate, the Greek Presidency has worked towards the dual objective of growth and savings. But I am bound to say that, both during preparations for the Athens Summit and at the summit itself, I had a strong impression that savings and not growth was the primary objective; that it was an end in itself, and not the expression of a need for rational use of resources.

I think I can justly say that a considerable disparity became apparent between the objectives which were set and the willingness to make available the increased means necessary for attaining them.

In particular, in the matter of an increase in own resources, there was a strong tendency to favour a very small increase which would cover no more than the needs arising from enlargement, which were in any case viewed restrictively. This was an approach which did not lead to any substantial development, which did not correspond to any of the major challenges of our time. How can we accept that it is beyond our financial means for the Community budget in 1990 to represent something more than 1% of the Community's GDP and something less than 3% of all the national budgets of the Member States taken together? Or that expenditure on new policies must not exceed the administrative expenditure of the budget? For those were the goals set for 1990, according to the proposal for the increase in own resources.

The rigorous review of budget matters, to which I referred earlier, links the creation of a dynamic Europe with the internal budget policy of each Member State. This line of thinking makes obvious the reservations which exist in certain Member States as to the possibilities and effectiveness of Community policies.

There seem to be serious doubts whether a Community policy can produce greater or better results than the sum total of national policies. This assessment, at least in some sectors, is mistaken since, for instance, total expenditure on research in the Community Member States is higher than in Japan or the United States, but to much lesser effect.

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Behind the conflict of interests over the fixing of expenditure on milk or in other sectors there lies, I believe, a fundamentally different perception on the part of each of us regarding the Europe of tomorrow. This clash of views took on tangible form with the two different positions which were discussed with regard to budgetary discipline. One school of thought maintained that it was first necessary to determine the available resources each year before deciding on expenditure. The other gave pride of place to laying down the common policies which will ensure the cohesion of Europe (regional policy, structural policy) and the policies which will form the Community's industrial strategy. In an attempt at compromise, the Presidency suggested increasing own resources, and put forward proposals which would make it possible to take a first step, or at least a step in the right direction, towards the development of Europe.

I consider it self-evident that expenditure must be properly directed, but it must also be controlled and thus permit a fair allocation, an allocation which will take into account the need for a transfer of resources from the richer to the poorer countries. I believe, above all, with regard to the procedure for drawing up and voting on the budget, that there should in no way, either directly or indirectly, be any restriction on the powers of the European Parliament.

I should like to point out in this connection that, quite apart from whether the various discussions are concentrated on special topics and often take on a technical character, the positions of the Member States conceal their basic political choices regarding the kind of Europe which they would like to see. The overlaying arguments reflect a first basic choice which determines the way in which each Member State looks at Europe.

The choice quite simply is this: either we are talking about a customs union, backed by a common agricultural policy and the appearance of a regional or social policy, or we are talking about a body of States with a multiplicity of needs which can only be met in the framework of common policies.

The question of where the Community's resources will come from and how much they will be is a political choice linked to the question of the common needs which Community expenditure must meet.

It is clear that these needs alter with the international economic situation, the homogeneity or lack of homogeneity of the group formed by the Member States, the pressure to hasten structural adjustments in the sector of investment and new technology.

There are however also other choices behind the disagreements over this or that particular problem. There is the choice of a Europe which will have its own stronger identity in the face of the rest of the world, a more coherent external commercial policy, endowed with means commensurate with those which other major world commercial powers have and use.

The problem is of course wider. It goes beyond commercial policy and is directly linked to Europe's role on the world economic and monetary stage.

On this problem I have definite views, which I had the opportunity to put forward in my speech in Brussels on 24 November 1983. Then I emphasized that I believe it unacceptable for Europe to remain passive in the face of the economic policy being pursued by the USA, which results in European reserves financing US budget deficits rather than European productive investments and recovery, and what I stressed was that the high real interest rates in the USA and their effects, not only in Europe but particularly in the Third World and more specifically still on the debts of the Third World, are disastrous for the recovery of the world economy and at the same time lead to unforeseeable political and social developments.

I do not wish today to dwell further on this subject because it was not examined in depth in Athens.

A third decision we were faced with at Athens concerned the so-called British problem. We all accepted that a feature of Community solidarity consists in not placing an exceptionally large burden on a country which, while its per capita income is lower than the Community average, derives a relatively small amount from expenditure under the budget because for historical reasons its agricultural production is relatively low.

The development of new policies together with the rationalization of the agricultural policy will normally speaking constitute the long-term solutions to the problem. In the meantime, however, it will be necessary in the next few years to find a just solution but one which does not undermine certain basic principles. We therefore ruled out the concept of net balances which not only give a very incomplete picture of the position of a country in the Community system but also tend in the direction of the so-called just return (giving as much as one takes), a concept which is also unacceptable in an economic union.

Another option which I finally relinquished, not because I feel it to be less important, but on the contrary because it is also a dimension of all the other options to which I have referred, concerns the relations between the less-developed and more-developed countries of the Community. This, without of course ignoring Ireland's geographical situation, we refer to as the North-South problem.

Today I wish to restrict myself to aspects which were discussed in the Athens talks.

(a) In agriculture there is unequal treatment as between products from the north and those from the Mediterranean. Northern products have greater protection *vis-à-vis* third countries and high rates of support which together have resulted in certain cases in the creation of enormous surpluses.

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The rationalization of the agricultural policy demands measures for a return to a normal situation and, in addition, measures for preventing the creation of such surpluses for other products. Is it, however, fair and reasonable, on the pretext of the need to achieve savings, to demand a reduction in EAGGF intervention where there is no danger of surpluses? And this because a certain amount of assistance is given to compensate to some degree for the lack of adequate support and for the concessions granted to third countries within the framework of the Community's commercial policy?

To put this more plainly, when we start out with a situation where there is unequal treatment between northern and Mediterranean products the need to reduce agricultural expenditure cannot be distributed equally between northern and southern products.

- (b) To permit the development of a true and coherent structural policy and to achieve convergence of economies and the progressive elimination of inequalities there must be a substantial increase in the resources of the Structural Funds. Within that framework it is proposed that there be additional financing for the Integrated Mediterranean Programmes, which are absolutely necessary to counter both the structural problems caused by the underdevelopment of the Mediterranean regions and the negative effects of the enlargement of the Community to include the Iberian countries (Spain and Portugal), which we all fervently desire.

Finally, as regards the Community's industrial strategy it is reasonable that it should be so structured as to benefit all the regions of the Community.

Measures will have to be taken to ensure that the less developed regions make a real contribution to research and the transfer of technologies. At the same time those regions need support for certain industrial branches which are not in such a strong position as others.

It is inconceivable that there should be a Community in which the less developed countries are regarded principally as markets for the industrial products of the more developed Member States.

I feel that it is now time, in order not to create false impressions as to what benefits or damage each country derives from participation in the Community, to see the extent of the effects of the balance of payments. This is because there is always a tendency to restrict ourselves to revenue and expenditure under the budget. For us in Greece the worsening of the balance of trade in the two years since full accession far outweighs any benefits we derive from the Community budget.

As regards the Greek Presidency, I believe that we fulfilled our obligations as far as possible.

Despite the fact that in the last six months there were some who accused us of undermining the Community, we believe that we exhausted all possibilities offered by the Presidency to deal with outstanding problems in a satisfactory way for the future of the Community.

Despite the questions still outstanding in our bilateral relations with the Community, which are also connected with the fate of the Greek Memorandum, we took the conscious decision — and we held to it — to carry out our obligations in a fully responsible manner during the six months of the Greek Presidency. We wanted to prove, and I think we did so, that even a small country like Greece and one of course without great experience of the Community, owing to its recent accession, can successfully take on the role of the Presidency.

Both in preparation for the Athens meeting and during that meeting I feel that we proposed and pursued realistic solutions.

I believe that specific differences were identified and isolated and that the technical preparation necessary for solving them was carried out.

In all this the Commission made a significant contribution and particular assistance was rendered by the General Secretariat of the Council, both of which I wish to thank most warmly.

If we failed to agree I do not believe this was due to a lack of technical preparation. It was due to a lack of political will and a lack of imagination.

On this point I should like to emphasize that at the Athens Summit meeting, as at previous summits, technical points arose which should have been solved and must be solved at Council or Permanent Representative level. One of the unfortunate aspects of European Councils is the tendency not to solve any problem at a lower level and to heap everything onto the summit. For future Presidencies, I feel that a precondition for the success of a summit is for the agenda to be kept to matters of substance, that is to the major political options and decisions — those which can be understood by the peoples of Europe.

Once the failure had become evident, we did not at any moment attempt to cover it up *vis-à-vis* a public opinion which is not much interested any more in the Community, either because it does not understand or does not believe what we tell it. The crisis of confidence which affects the attitude of our peoples towards Europe is today a matter just as grave as the crisis affecting the functioning of the Community. To mislead European public opinion or cover up the failure would have been the worst option. For that reason the Presidency showed the impasse in its true colours and assumed the responsibility of not having discussion of the other matters which the summit meeting was to deal with.

I should like to state that we were, naturally, anxious that the Athens meeting be crowned with success.

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Obviously its utter failure, particularly as regards the question of own resources, which is linked to the furthering of the Integrated Mediterranean Programmes, and on the question of reforming the Structural Funds of the Community, does not at all help our attempts to solve the Community's problems. And plainly with the close of the Greek Presidency the problems will again come to the fore. However we do see something positive emerging from this turn of events.

The blatant failure of the meeting bears out as it were some of our doubts as to whether we have the political will to undertake a substantial reorganization of the Community so that its functioning is acceptable to all the Member States. We have repeatedly stressed the absolute need for certain changes, because of the lack of any adjustment of the Community's institutions in the last 25 years, despite immense changes in the situation within the Community and outside it.

In this framework must be seen the suggestion we made that perhaps the time had come for a new Messina, where we would, without abandoning the spirit of the Treaty of Rome, reclarify our ideas about the important problems of our time.

It is clear that only in an atmosphere of crisis and complete failure can the impetus be created for a radical re-examination of the progress and future of Europe.

The crisis we are facing today may therefore contain the seeds of a readjustment of the Community in the right direction.

For many years the Community has had the bad habit, resulting from the defects I have referred to, of solving crucial problems not at 11.55 but at 12.05. Somewhere between the two we have passed the torch to the French Presidency. We all join in wishing it, as it continues the efforts made in the last six months, success in this hour of truth in giving the Community an effective new impetus.

Mr Thorn, President of the Commission. — (FR) Mr President, I wish to begin — not just out of politeness or as a formality but because I wish the truth to be known — by paying tribute to Mr Papandreou for the impartiality, authority and competence with which he conducted the three days of talks at the European Council in Athens.

I can testify to the efforts which he made and to his real commitment to Europe and I wish to say to this House that he deserved to see them all crowned with success.

Unfortunately, that was not to be, for the European Council ended in resounding failure — this time no one could or would pretend otherwise. This is all the more disturbing since the problems over which the Community came to grief in Athens have been under

discussion in our Community for many years. 'Now Europe knows there is a crisis, President Mitterrand said. However, the shock could be a salutary one, as President Papandreou remarked, if we draw the right conclusions from the failure early enough and that is what all of us should now do.

That is why I should first like to examine the reasons for the failure to see what can be learnt.

In attempting analysis, we must go to the heart of the matter and not allow ourselves to fuel speculation as to the degree of responsibility of this or that Member State or this or that personality. In fact, the failure in Athens was a collective failure, for which almost all Members of the European Council must bear their share of blame, even if, as is always the case, some have been more conciliatory and others less.

In the Commission's view a primary cause of the failure in Athens lies, I am sorry to say, in the preparatory procedure agreed on at Stuttgart, insofar as that 'special' procedure had the effect, not only of accentuating a tendency for the European Council's role to become steadily more inflated, as you were saying just now — without its ever having got to the point of genuine negotiation — it also meant that the Member States tabled more and more alternatives to the Commission's proposals.

For some years, the ordinary Councils have been tending to give up their role — which is to take decisions — and instead to become preparatory fora for the European Council or informal meetings. This is a dangerous trend; it is having very deleterious consequences.

(Applause)

The most extreme instance of this distortion of Community procedure was the 'special' — all too special — procedure agreed on at Stuttgart to hold intensive talks with a view to producing a final package at the European Council in Athens, as you reminded us just now, Mr President.

The choice of this particular procedure unfortunately threatens to lump all the outstanding issues together, to divest the specialist Councils of responsibility, to swell the European Council's agenda, to confuse technical matters, politics and day-to-day management with decisions about the future.

At Stuttgart the Commission had warned against the danger that such a procedure could lead to a general impasse. Fortunately we at least managed to convince those who were still tempted at that time to conduct the talks in a strictly intergovernmental framework without reference to the Treaties or Community procedures. The Commission did everything it could to prevent the special Councils from taking over the function of the normal decision-making bodies in a large number of fields (internal market, research, industry, energy...) where, indeed, tangible progress

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has been made which could be jeopardized because of the links established at Stuttgart between the various dossiers.

The rule whereby the Council is supposed to pronounce on the Commission's proposals and on these alone and cannot modify them except by unanimous decision was not observed in the discussion on correcting the budgetary balance and financial discipline. As a result, the European Council found itself faced with five or six alternatives to the Commission's proposals.

Is it surprising, ladies and gentlemen, that, having no central point of reference, the Council got totally bogged down in a mass of conflicting texts? Is it surprising that the feature common to all the national proposals was that they were geared to the specific interests of the countries putting them forward?

And is it surprising that failure should have resulted from such flagrant violation of the Community procedures? Of course not. The authors of the Treaty from their long experience of intergovernmental cooperation correctly saw the need to reserve the right of initiative to the Commission and to it alone. That is the only way to organize the Council's work, focussing it on a proposal designed as far as possible to promote the general interest of the Community.

(Applause)

Naturally, the Member States can criticize, reject, suggest amendments to its proposals. They cannot replace them by their own. This criticism also applies to the tendency to expand and elevate the role of the Council presidency, to turn the presidential relay into a competition, if I may put it that way, between nations.

I must draw attention to the threat which such a development poses to the Community's institutional balance. And I do so now, as the presidency is about to change hands so as to make it clear that I am talking of a principle, not of individuals.

No doubt this enhancement of the presidential role may have some advantages.

But these would be outweighed by the disadvantages if, by an insidious process, one were to reach a point where the Member State whose turn it was to take over the presidency by an accident of the calendar began to behave, albeit with the best of intentions, as if it were taking charge of the Community's future. Europe does not change its government every six months; the deadlines for decisions are not confined to June and December. The European Council must not signify the crowning or failure of a presidency. That would not be in anyone's interests. The presidency has its own tasks; it organizes the Council's work on the basis of Commission proposals; it controls the pace of that work and coordinates it horizontally; it uses its influence at the end of the debate

to help bring about the necessary compromises, as the Greek Presidency has done.

No good purpose will ever be served by replacing a Community procedure by a mass of different bilateral arrangements, as some people are attempting to do.

(Applause)

Lastly, Mr President, I wonder whether the main reason for the failure in Athens may not be the lack of real agreement on the scope and direction of European integration. I have been questioning everyone since the 25th anniversary of the Community's foundation and at the European Council in Athens some of the Heads of State and Government did ask themselves the same question. What kind of Community do we want? What is our aim? Why is it that the same questions come up before the European Council at regular intervals, the interval between the failure at Lancaster House and the failure in Athens.

I should stress that up to now no Member State has proposed amending the Treaty by recourse to the procedures under Article 236. Nonetheless, there is no denying that on certain points the Member States have adopted national stances in flagrant contradiction with the Treaty rules, as when they favour institutionalizing the principle of fair returns or limiting Parliament's budgetary powers.

(Applause)

It is time to state clearly whether we reject the Treaties and their fundamental principles or, on the contrary, regard reform of the Community patrimony and the formulation of a plan for renewal as consistent with the Treaties.

If we really must lance the abscess, let us do it now, otherwise the European Council will simply perpetuate its failure.

Therefore, in the Commission's view the most important lesson to be learnt from this failure is the need to return to the Community's rules and procedures to tackle the present difficulties and resolve them.

It is by returning to the fundamental principles of the Community that we shall be able to gather fresh strength and overcome the obstacle which foiled the Community in Athens.

Accordingly, the Commission will be asking each of the specialist Councils in December to resume their work in the particular fields for which they are responsible and on the basis of the proposals submitted to them a long time ago.

The Commission is determined to keep the proposals which it has already put forward on the table. It will not agree to amend them unless and until it believes that an agreement compatible with the Community's interests could then be reached.

That is the position I adopted when preparing for the Athens Summit and which I adopted before the European Council and I shall adhere to it.

Thorn

On several matters where decisions are urgently required, the normal Councils must act swiftly, without waiting for the next meeting of the European Council. This is true of agriculture.

As you know, ladies and gentlemen, the decision which the European Council will take in due course on the increase of own resources is not a consolation prize for the sacrifices inherent in the reform of the CAP. Our expenditure on agriculture must be reined in, come what may.

We all know that it will no longer be possible to administer the CAP if the principle of open-ended guarantees is retained.

It is not the European Council's job to decide the technical means for making the necessary adjustment, to allocate the milk quotas which you have been talking about, to decide whether to keep or abolish this or that premium or this or that direct aid. That is the Council's task. The Council has before it proposals designed to keep agricultural expenditure within the budgetary limits; it is therefore duty-bound to take a decision without further delay and certainly no later than the start of the next agricultural year.

Similarly, the Council in the appropriate form must complete its work on the reform of the ERDF, push on with the implementation of the Copenhagen programme on developing the internal market, establish a scheme for joint action in the field of the new technologies ... and I could give many other examples.

I shall dwell on just one more, for it has symbolic value. That is the funding of the Esprit programme, which has to be decided on immediately. Those responsible for the research are agreed on the content and scope of the programme. The industries concerned are mobilized and ready to take over their share of the cost of the operation here and now.

The Commission undertakes to make the necessary arrangements to ensure that the annual expenditure involved is within the budget limits determined by the ceiling on own resources.

In these circumstances, Mr President, it would be indecent for any Member State to withhold its consent until a global package was agreed on, so as to hang on to an extra 700 million ECU. No one has the right to take Europe's industrial future hostage in order to increase its own bargaining power.

(Applause)

If, with Parliament's aid and support, the Commission is heeded, if the Community's decision-making machinery begins to function again instead of being paralysed by the special globalizing procedure, the European Council can recover its true role, preeminently a strategic and political role, it can resume its job of giving impetus and direction to the Council's work and recover its decision-making role, determining the major political options which will shape the Community's future.

The decisions regarding the Community's future financial arrangements clearly fall into this category. The European Council — and I would almost say, it alone — can and must take the decisions of principle which determine the increase in the Community's own resources.

They are of three kinds only and concern the distribution of the budgetary burden among the States, the financial directives which will govern the Council's exercise of its responsibilities as one branch of the budgetary authority and, lastly, the volume of the funds which will be made available to the Community to permit enlargement and to ensure that over a long period it has the means for its development.

These are three crucial matters which have a bearing on the very identity of the Community and will determine its future.

It is a matter of building a lasting and equitable financial system, so that this arbitrary annual bargaining over budget rebates can be avoided. The compromises and sacrifices which will be needed to achieve this budgetary peace within the Community cannot be accepted by everyone unless they form part of an ambitious programme for the future.

To have no ambition for Europe and to mete out the means for its future development parsimoniously is undoubtedly the surest recipe for the European Council to fail — just as the Community's patrimony is being reformed!

Even reduced to essentials in this way, the European Council's task is still formidable. However, despite the failure, the reasons for which I have just analysed, I look forward confidently to the next meeting.

I feel sure despite everything that a historic enterprise like the integration of Europe will not be halted by such a paltry budgetary quarrel as the present one.

For all of us here know what we are talking of. The Community budget amounts to under 1% of the total GDP of Europe. The budgetary imbalances which have to be corrected concern amounts corresponding to no more than a fraction of a percent of the GDP of the countries demanding that they be corrected.

I am not suggesting by any means that these imbalances are negligible or that the Community budget can be administered without stringency and discipline: that is evident from our proposals.

But I owe it to public opinion and to your Parliament to put things in perspective. I must remind our governments, which outdo one another in stringency when it comes to discussing the resources to be allocated to Europe, that a Community budget representing scarcely 1% of our total GDP should not be treated in the same way as national budgets which redistribute on average 40% of the national wealth of the Member States.

Thorn

A second reason for my confidence in the future is the loyalty to the European ideal evinced by all the Heads of State and Government in our talks together. They all know in their hearts and recognize that there is no alternative to the Community, that there is no alternative to reactivating the process of integration which each of our ten countries needs now more than ever before.

Therefore I cannot believe that they will allow themselves to be governed much longer by the debit-and-credit approach at the risk of jeopardizing European unification and 25 years of remarkable achievements, not to mention future promises.

I profoundly believe that we shall come out of the present impasse if, all together, we learn from the Athens fiasco, if we return to the principles and methods which have made the successes of the Community possible. Let us be on our guard against scorcerers' apprentices.

Your President, Mr Dankert, has said that the European Council's failure may prove a salutary shock. I, too, should like to think so.

You know what conclusions the Commission, for its part, has drawn from it. To make public opinion aware that the European Council's failure does not spell the collapse of a historic process of unification, the Commission declared on 7 December that it would face up to its obligations to ensure that the Community patrimony is safeguarded, to achieve without delay the essential steps forward and to create the right conditions for the Community's revival.

The Commission, Mr President, expects Parliament's actions to be guided by the same objective. The Community must be governed now, despite and perhaps because of the inadequacy of the European Council, so it must provide itself with the budgetary means to achieve this in 1984.

It is essential that the Commission and Parliament, that both Community institutions, support each other at this difficult time and together demonstrate their ability to lead the Community along the path laid out by the Treaties and dictated by Europe's interests.

(Applause)

IN THE CHAIR : MR NIKOLAOU

Vice-President

4. Welcome

President. — Before we move on to the next item on the agenda which is the joint debate, I have the pleasure of welcoming the delegation from the Spanish Cortès to the Joint Committee with the European Parliament, led by Mr Manuel Medina Ortega.

(Applause)

I am sure that this meeting of the Joint Committee will enable all the issues to be looked at in depth, especially those which affect the Community. I therefore wish the Joint Committee every success in its work.

5. European Council — Greek Presidency — Political Cooperation (continuation)

Mr Glinne (S). — *(FR)* Mr President, Mr President-in-Office of the Council, Mr President of the Commission, ladies and gentlemen, the Athens Summit can be described in a word as an absolute failure. It is regrettable, but it is so. Yet, after the declarations of good will at Stuttgart, one really did not expect total failure to reach a decision. Nevertheless, everybody, including the Heads of State and Governments, who attended the Athens Summit, supposedly agrees on the need for recovery, if Europe is to emerge from the economic and social crisis which at present overwhelms our countries. Fine words, but nothing else, and which are quite meaningless, when some at least display a frightening lack of political will to provide the impetus needed to the survival of Europe and of the countries it comprises.

I wish to stress from the beginning that the failure of the Athens Summit was certainly not due to any lack of initiative or bad preparation on the part of the Greek Presidency. On the contrary, the positive role, the efforts made by the Greek Presidency, in particular by the Prime Minister, Mr Andreas Papandreou, who personally undertook to visit four major capitals in an effort to find a satisfactory compromise, were considerable. In other respects, very constructive proposals were put forward by the Greek Presidency concerning the CAP reform, the increase of VAT, the new policies, the economic and social areas and enlargement. We shall discuss these matters in more detail this afternoon, after having heard the President of the Council of Foreign Ministers. On behalf of the Socialist Group; I wish to thank, here and now, the Greek Presidency, and particularly the Prime Minister, Mr Andreas Papandreou, for the very constructive role they played in the interests of European recovery and in trying to find a compromise.

(Applause)

Unfortunately, the efforts of the Greek Presidency came to nothing and, once more, the European Council, at the Athens Summit, showed its inability to solve problems of capital importance, behaving in a short-sighted and fainthearted manner, like a senior accountant putting the incidentals before the essentials.

It would be advisable to learn a few useful lessons from this, and to begin with, to review the actual functioning of the institutions.

Glinne

Indeed, the European Council is being entrusted with too much power to make decisions, whereas the Councils of Ministers which are provided for in the Treaties defer more and more responsibilities to the summit. Now, the results of the European Councils in general, and of the Athens Summit in particular, have proved that it is an illusion to expect miracles from above, and it is all the more disappointing as too many hopes are focused, often excessively on these meetings of Heads of State or Governments. Consequently, we consider that it is high time to bring institutional practice back into line with the Treaty of Rome which is after all, the final authority. This will have to be achieved, first by going back to the normal decision-making procedures at Council of Ministers level and secondly, by calling on the Commission to exercise to the full its initiative and decision-making role, under Article 155 of the Treaty. Although the Commission did, in fact, put forward constructive proposals for the Athens Summit, it should have displayed more firmness in ensuring that they were implemented and respected. Its credibility is at stake. Thirdly, and lastly, since inaction on the part of the European Council makes it necessary to appeal to a higher authority and since it is a question of the survival of Europe, and since the European Parliament was not elected and will not be re-elected to ratify failures, more consideration will have to be given to the opinions and proposals of the Parliament, as the democratic representative of European public opinion. Indeed, our Parliament is not a social club which chatters occasionally in Brussels and in Strasbourg, but a parliamentary institution, elected by universal suffrage, which intends to make full use of its powers, even if at present it only has an advisory role, except in the budgetary sector.

Ladies and gentlemen, the failure of the Athens Summit is serious. The financing of farm prices is called into question. Furthermore, I wish to stress here, with reference to the farmers, that it is not the adoption or the non-adoption of the 1984 budget by the European Parliament which will prevent the financing of the farm prices; that this has already been rendered impossible by the failure of the Athens Summit since the financial resources are already inadequate to cover Community expenditure. Once more, there is a lack of the financial resources needed for the struggle against unemployment, at the very time when the Community is faced with 12.5 million unemployed, and for the setting up of new industrial, social and economic policies, essential to the survival of the Community. Shortsightedness and faintheartedness characterized the Athens Summit, when well defined political determination ought to have been asserted. A forward looking view of the Community is needed. Nationalism belongs to another age, but today the Community is clearly serving the well defined interests of its Member States.

So, with reference to the Heads of State or Governments, I repeat that there is no point in shedding a few tears after every failure and realizing, when it is too late, that it is essential to give Europe a fresh impetus if we want for the benefit of our people to save the European economy. It would be better to remember this fundamental truth before the summits and not to become overwhelmed by national selfishness which, we all know, will be disastrous in the long run for each one of our countries and for the Community as a whole.

I would like to end on a positive note: we note with satisfaction that the French Presidency which is about to take office is of the opinion, as stated by Mr Claude Cheysson, that the very constructive conclusions of the Greek Presidency could constitute a basis for discussion in the future. We also observe with pleasure the reassertion of President Mitterand's personal commitment to European recovery. The proposals of the Commission and the Greek Presidency, soon to be taken over by the French Presidency, are a valuable document. It could get off to a good start if determination asserted itself in an area presently threatened with disintegration. This boost is possible and necessary.

I wish to remind this Assembly that, as far back as 10 November 1982, the Socialist Group, *in tempore non suspecto*, made very concrete proposals in the motion for a resolution No 1/926/82/rev. on European recovery. This document underlines the need to put employment and reduction of inequality at the centre of the Community's social and economic policies. The Socialist Group has not simply made a statement of principle; it has put forward a series of practical proposals which unfortunately I cannot enumerate here for lack of time. We also insist on implementing the new Community policies, which involve exceeding the 1% VAT limit and on the need to reform the common agricultural policy, especially by reorienting the Community towards improving structures, social conditions and regional balance. It was also our wish that the conditions necessary for the enlargement of the EEC to include Spain and Portugal should be fulfilled, since enlargement is in other respects a token of faith in Europe's future. As for the British contribution, we have never denied the reality of the problem and we have always insisted and will continue to insist on the necessity of a lasting solution.

Ladies and gentlemen, a few minutes ago, I mentioned the role of the European Parliament as a body to which we can appeal. Unfortunately, this institution can only act where it has real and legitimate powers, recognized by the Treaty, that is to say, in budgetary matters. Hence, the adoption or the rejection of the 1984 budget will be a highly political action on our part.

By adopting three fundamental amendments to the 1984 draft budget, the European Parliament, as from

Glinne

the first reading, clearly made known its political determination. Firstly, to ensure the necessary reform of the common agricultural policy is carried out, secondly, to find a budgetary solution to the problem of the British contribution, thirdly, to release the necessary funds for new Community policies. As stated in the common resolution of the different political groups, and on which we shall vote this evening — I quote one of its most important extracts —

'The Council could help to reverse the situation created by the failure to take decisions at the Athens Summit, by responding positively to the proposals advanced by the European Parliament for facilitating the restructuring of the budget, and establishing the conditions and prospects for a genuine European recovery in the context of the 1984 budget.'

This, gentlemen of the Council and the Commission is what we expect from you as a concrete restitution for the failure of the Athens Summit.

The Socialist Group hopes that what it is calling for is clearly understood. After the Athens Summit, we need more not less Europe, in the first place for the workers, for employment and for the less-favoured regions.

(Applause)

Mr Barbi (PPE). — *(IT)* We wish to take the opportunity offered by the statement of the Greek Presidency to send the Council and the Heads of Government of all of our ten countries a message that derives its force and its value not only — and indeed, not so much — from our profound convictions, but above all from the fact that we are the legitimate representatives of citizens who have a growing and increasingly mature appreciation of the European dimension, both in terms of their awareness of the exceptional gravity of the challenges that face us all at the same time and to the same degree, and from the realization that these challenges can only be overcome through the strengthening of the bonds that exist between us.

The fact that, at Athens, no compromises were reached may turn out to be a good thing!

Today, the crisis in the European Community looks everybody in the eyes; it is on the front pages of all the newspapers.

It may prove ruinous, and downright lethal, if we, the political governing class, our own leaders, do not make this the starting point for a rational and brave relaunch of the Community. But it will be salutary if it makes us take note of the errors that have been committed, and opens our eyes to the decisions that have to be taken, both as regards methods and procedures, and in relation to the substantial, basic questions.

And let us first of all ask ourselves: was it right, or was it a grave mistake, to commit the Heads of

Government to a diatribe that concerned corrections to the common agricultural policy — necessary though these are?

Should these matters not be dealt with in accordance with the rules of the Treaty, in the Councils of the Ministers of Agriculture, who can decide by a qualified majority?

Is it right, or is it a serious error, that the European Council — an organ not envisaged by the Treaty and not of the Community but, obviously, an intergovernmental one — should involve itself with the details of milk or wine surpluses, instead of discussing and reaching agreement on the great political problems of security and peace, and the great economic and social problems of the third industrial revolution?

If the Community's procedures had been followed, they would not have led to the failure of Athens. We maintain that a new Treaty is needed, but so long as the present one is in force, it must be respected and operated; otherwise, it means that we intend to change the nature of the Community, or perhaps even destroy it.

But the error committed by our Heads of Government is even more serious in essence: 10 prime ministers who meet for three days and after almost six months of preparation, without taking a decision, without saying a word about the tremendous threat to peace, or about independence and the freedom of our nations at a time such as the present that is so fraught with danger and tension, give the impression of being Martians living outside our own hard, alarming reality.

A European Council that meets for the umpteenth time without giving any policy directive for facing, as a Community, the threats that have been directed for years, now, at our economy — both by the speed of technological innovation and by the gradual but sure redistribution of work throughout the world following decolonization — is an assembly that fails in the only real task it has which is compatible with the Treaty of Rome.

We all go on saying that, despite spending more than Japan or the USA on research, we obtain very much poorer results because we waste our human and financial resources, dispersing them in 10 separate channels of varying size; and that that represents not only a present handicap for our economy, but an increasingly large obstacle in the way of our development.

In the last 10 years the industrial production of the EEC has grown by 5%, that of the United States by 13%, and that of Japan by 32%, under the very powerful impetus of technological innovation. If we continue at this rate, the gap will become impossible to bridge, and the resulting unemployment — with all its social, political and human consequences — will be an incurable cancer.

Barbi

We all deplore the evil effects of the unscrupulous manipulation of the dollar on the foreign exchanges — and hence in foreign trade and the entire economy — but we are not able to oppose this with the force of a coordinated, consolidated European Monetary System because the shortsightedness of national selfishness and the banking bureaucracy prevent us from taking the brave, farsighted steps that could put far more life and power into the European economy.

If, at the beginning of the 1950s, Schuman, Adenauer and De Gasperi had heeded the bureaucrats of their day — the heads of industry and the banks, all with an interest in maintaining the status quo and wedded to it — and if they had allowed themselves to be led away by the mistrust and bitterness that separated victors and vanquished, we should never have had the ECSC and the magnificent growth of the European iron and steel industry; we should never have had the EEC and the spectacular growth of our economies, and the general improvement in the standard of living of every European.

For these reasons we European Members of Parliament say forcibly and with conviction to the Heads of Government: it is not the economic crisis that frightens us, nor the energy crisis that sparked it off, nor even the crisis in the so-called 'mature' sectors; nor, much less so, is it the financial crisis in the EEC caused by the surpluses of dairy products. What worries and alarms us is the crisis regarding the values on which the Community was founded. It is the crisis of single-mindedness, the will not only to leave behind the hatreds fostered by history but also to overcome corporate selfishness, nationalistic unreceptiveness, and the shortsightedness of the advocates of State-controlled economies — this is the most frightful crisis affecting free Europe today.

It is really possible that the Heads of Government cannot feel and cannot see those things that are part of the everyday experience of very one of us here?

Is it possible that they illude themselves that the crises that beset us can be overcome, and the problems they cause can be solved, by shutting ourselves away in our respective national policies, or even by allowing the Community to slide towards the renationalization of even what little has been built up together — so profitably — with the common market, the ECSC and the CAP?

Is it possible that they cannot feel, as we and all the most enlightened observers and students of the scene can feel, that Europe urgently needs a new industrial policy of innovation, and that the necessary research and reorganization to put this into effect can only be achieved on a Community basis?

Is it possible that they do not understand that, if we are to have reasonably managed, politically sustainable short-term social measures capable of tackling the growing unemployment there must be general Euro-

pean agreements, Community social policies and undivided European action *vis-à-vis* both the industrialized countries and those of the Third World?

What we should have expected from the European Council — and what we are expecting for the future — was not the mean squabbles about a bucket of milk or a barrel of wine, but a virile awareness of the very hard realities, that have to be faced in a renewed spirit of agreement and cooperation.

We should not have expected the reciprocal blocking action, in an attempt to share out the advantages of Community policies created in past years; instead, we were looking for the vision to create new, dynamic policies appropriate to the needs of the 1980s, which are now so different from those of the 1960s and 1970s.

Only if we are inspired by a single aim can we understand and envisage that many things, if done together, cost less and yield more than when they are done in isolation. Even the CAP. Yes, certainly, even the CAP. Let the Finance Ministers, who are afraid of an increase of 1% in the VAT, work out what the renationalization of the CAP, the consequent inevitable aids to farmers, the barriers to exports, the customs wars, etc. etc., would cost their individual national budgets. Only if we are inspired by a single aim can we understand and envisage that the only way to fight the process of disindustrialization — which would be the fatal result of allowing the technological gap to continue — and hence the economic downgrading of Europe, is through massive, enlightened Community action in the field of research and innovation.

We can only tackle the danger of social degeneration caused by unemployment, and we can only defend the democratic institutions of our countries, in a spirit of solidarity.

Only by overcoming the crisis of individual values can we tackle, together, the existing threats to our security and freedom. The peace and freedom that we have enjoyed in recent decades in Europe is not due to mere chance, to a happy set of international circumstances. No, it is the result of a wise, brave, revolutionary policy — that of European unity. It is not without significance that international communism did everything to prevent the birth of that policy, or that the USSR has never recognized the European Community.

We Members of the European Parliament believe in this policy. We want to be the guardians and promoters of that single, European spirit. We Members of the European Parliament continue to believe that that great, enlightened Conservative — which is what I think Mrs Thatcher and her English friends also want to be — that great enlightened Conservative Luigi Einaudi was right when he stated that 'the problem is not between independence and union, but between existing in unity or disappearing'.

Barbi

We therefore call upon the Council, and our Heads of Government, to give the lie to what an acute Italian observer has called 'the most symbolical crisis' in Europe — that is, the lack of executive political personalities fired by the Community spirit. And we therefore say to them, with all the force at our command: 'Be worthy of your great predecessors and answer — as they answered, during the exceedingly hard post-war period — Europe's pressing call, that is inspired by the no less hard realities that we have to live with, and master, today'.

(Applause)

Lady Elles (ED). — Mr President, I should like to take this opportunity to thank Prime Minister Papandreou for coming to this Parliament today and for giving us such a fair and open account of what happened in Athens last week. It is never agreeable for anybody to come and report a failure, even if that failure is not ascribable to the rapporteur of the event. But, I must confess on my own behalf, on behalf of many many people in my country, and indeed of my party, that we would rather see a failure to come to an agreement in December, in order to count on a successful agreement perhaps in March or in June of next year, than to have an agreement which proved to be both unacceptable and inequitable for many countries, and, indeed, probably unworkable for all Member States of the Community.

Confessing failure at Athens does not mean the end of the Community. Very far from it. It means — and I believe this — that the 10 Prime Ministers had the courage to say, 'we cannot agree this time, but we shall agree by the next time'. This is, I think, the way in which we have to look at the meeting in Athens. Let us remember that solutions to problems, unless they are fully-thought-out and sensible solutions, only create more problems than the problems that they sought to solve.

We know, of course, what the three fundamental issues were that were discussed in Athens: agricultural surpluses, effective control of Community spending and fairer distribution of the burden of financing the Community. But I must ask, as many before me have asked, whether these were the right problems to be discussing at Athens? Are they not problems which should have been discussed and sorted out at a lower technological level? Nonetheless I sometimes think it has been useful that the press has turned its attention to these problems because, sometimes of course, it is only when Prime Ministers discuss these problems that the press deigns to turn their attention to them. In this way at least the citizens of Europe may be now aware of some of the problems facing the Community, particularly as regards the increase in Community expenditure and the fact that we are reaching the frontiers of our budget. So, in a way, I am optimistic and I think perhaps that this opportunity has not

been wasted. Because, let us remember that, thank God, we live in a democracy. All the 10 Prime Ministers have to go back to their national parliaments and explain to the citizens of their country what the problems are about in order to get support from those people, through their parliaments, for the decisions to which they will come.

That is, of course, because we are structured in the Community on democracy; let us never forget that.

But I sometimes wonder when I read reports of what happens, for instance, in connection with agricultural surpluses, how citizens can understand. When, for instance, one reads that we have a surplus of 900 000 tonnes of butter while at the same time we receive requests from countries where people are starving for 100 000 tonnes of butter-oil and yet the Community can only manage to answer that request with about 36 000 tonnes. Why cannot we answer that request? Is it because — and I do not presume to give the answer — the administration and financial mechanisms of the agricultural policy in accordance with the annual budget cannot take butter out of surplus this year because it is cheaper to keep it in storage until you have to pay the bill than to have to pay now for that food to be sent to less developed countries? These are the kind of real problems that are facing the Community. They are not unsolvable but they must be faced and faced up to.

Again, the word 'summit'. Does it not evoke high expectations from the people of Europe? In my opinion the word 'summit' should be deleted from the European vocabulary. It is after all a regular meeting of Heads of State or Government every six months. It is not a major event. It is just as though cabinets were meeting from time to time. We do not have high expectations every time our own cabinet meets in the United Kingdom, and I speak as a Conservative! So why should Europeans expect great things when they happen to be meeting on a regular basis every six months? Please, Mr President, through you I ask all those responsible for these arrangements to delete the word 'summit' from their daily vocabulary.

I am grateful to Prime Minister Papandreou for emphasizing the point that no leader was individually to blame for the failure at Athens. Indeed, we are perfectly aware in the United Kingdom that the United Kingdom's problems were shared with other Member States and on every single issue, whatever the problem was, some other Member States shared in trying to solve that particular problem. Perhaps I should say that it may just be because it happens to be a woman who is the Prime Minister of the United Kingdom, who shows more courage, more determination, is better briefed, is better able to answer the technical arguments that she stands out as the one who contributed most to the sorting out of the problems of the Community.

(Mixed reactions)

Elles

I am not surprised that the men of Parliament should make that noise. That, of course, confirms what I have just been saying!

I am also grateful to Mr Glinne for saying of the budgetary problem of the United Kingdom that we should seek a permanent solution. It is not a question of *juste retour*. Anybody who looks at the figures — and again perhaps it is only the women who look at the figures — will see that whatever solutions have been proposed, either by the United Kingdom or by any other Member State, it can in no way be said that the United Kingdom will be acting on a basis of *juste retour*. Whatever the solution, we will still be paying into the budget when the vast majority of other Member States are taking out of the budget. So let us be quite clear, we are not asking for *juste retour*. To summarize, then, what we want out of future meetings of our respective leaders: we want guidelines on world problems.

However, Mr President, let us consider what history will say of this summit: will history look back at Athens and say, well thank goodness that these 10 countries, all of whom were involved in a world war 40 years ago, were not discussing arms production! They were discussing the surplus of milk production. Is that not rather an extraordinary element that we might also be grateful for, that history has now brought us to, that 10 Prime Ministers can spend 24 hours discussing milk rather than guns? I am not saying that they should waste their time in discussing milk production, but if you think in comparative terms perhaps one can also be grateful for that.

However, the citizens of Europe do not expect their leaders to talk about milk. They do not expect them to talk, as Commissioner Thorn did, of the problems of the sorcerer's apprentice who is going to be drowned shortly in a flood of milk. They want discussions on employment. They want discussions on high technology industries. They want to be assured that they who contribute to the creation of wealth in the Community can have hope for the future.

But let us not also pay too much attention to the fact that the presidency will be changing at the end of December. Here again I think too much fuss is made of the changeover from presidency to presidency. Let us remember that we are in a relay race passing on the baton from one country to another and all runners in the race are equal and all runners in the race hope to win the same prize, which is the peace and prosperity of Europe. So we hope that the French presidency as it takes over will see that the right people, the Commission and the Foreign Ministers and the political directors, will be perfecting the mechanisms of running the Community. This is what this meeting has been all about. It

has been searching for proper mechanisms on which to structure a new Europe for which we, as representatives of the citizens, are responsible. We hope that next time we come to discuss a meeting of heads of state and government in this Chamber we shall be able to give better news to the citizens whom we represent.

(Applause)

Mr Fanti (COM). — (IT) Mr President, there has been a great deal of comment in Europe and throughout the world on the resounding failure of the Athens summit. Some commentators are tending to minimize its effects, to play it down, and even go so far as to attribute the lion's share of responsibility to the Greek presidency. None of that is true; indeed, I should like to express, in this Chamber, to the Greek Government and its President, our appreciation for what they have achieved in these recent months, which have certainly not been easy; achievements in all fields of Community action and in new fields as well, such as the initiative which was launched, with the meeting of the Ministers of Culture of the ten countries of the Community, by Mrs Melina Mercouri, who is present here today, and to whom I offer my affectionate greetings.

(Applause)

At Athens something happened that it is essential to recognize in full. At Athens a death knell tolled, and it tolled for an old Europe, for the Community structure as it has developed in these 25 years, for that Community that the Heads of State and Government, together with the President of the Commission, have jointly shown themselves at their Athens meeting, totally incapable of changing, renewing, and bringing into line with the needs and urgent political, economic and social demands of both European and world society today. These are the realities, and not to recognize the fact would be suicidal!

Athens was the logical, consistent conclusion to the decisions taken at the Stuttgart Summit, which we immediately denounced — albeit in vain — though the Commission — Mr President Thorn, did not. And now to consider this failure just as a setback *en route* which creates difficulties — yes — but not irreparable ones, and not such as cannot be dealt with and overcome with a more correct procedure — which is what the Commission appears to be saying — seems to me to be madness in the extreme. The fact that the Summit should have become bogged down, and then swallowed up, in market-place bargaining about milk quotas or repayments to Britain doesn't alter anything — indeed, it only throws more light on what happened. It means, that is, that the 10 countries of the Community, and with them the Commission, are not capable of providing the Community today with real govern-

Fanti

ment, such as to allow Europe to play its true and proper part in the world's affairs.

To say nothing, as was the case at Athens, about the great questions of security and peace in the light of the tragic spiral of atomic rearmament or the violence and war that are the scourge of the Middle East; to say nothing, as was the case, on the question of the relaunch of the European economy in face of the aggressive competition from America and the Japanese; to say nothing, on all of this, is an abdication of responsibility, a *de facto* acceptance of a subordinate role to the stronger American ally — a role that makes impossible that independent function that people all over the world are looking to Europe to fulfil. Following the governments along this road is to preside over the burial of the EEC.

We must turn over a new leaf and strike out afresh. There is in fact another road, which is undoubtedly difficult and has today become still more difficult: it is the road that, for all the contradictions, side-slips, and inconsistencies, emerges from the work of the European Parliament in recent years.

This road is the road of the refounding of the Community on the principles that were its inspiration, on its institutions, and on its policies for action that are no longer linked to, and determined by, the Common Agricultural Policy alone.

And this is something, ladies and gentlemen, that concerns the political forces directly in the first person — all of you who are sitting in this Parliament — because in democracy the governments of the ten countries and the Commission draw their legitimization from Parliamentary majorities that, without any exception, consist of the same political forces that are here represented. At this point none of us can shirk his European and national responsibilities; none of us can wait passively for miracles to be performed by who knows whom, or seek to salve his own conscience with vague, high-sounding statements.

It is up to us now, immediately, to complete in the best way possible the work carried out in recent years, which can be summarized most significantly in the draft Treaty establishing the European Union, which is to be delivered to the governments, and above all, to the two hundred million citizens of Europe who will vote next June, as an indication of the timing and means of implementation of that reform of the Community which, alone, can permit Europe to play its proper part in international political and economic affairs.

It is up to us now, immediately, to bring home forcibly to the national Parliaments the implications of the immense problems opened up by the Athens set-back.

There has been frequent talk of the relationships between the European Parliament and the national

Parliaments. But, except for a few fine words delivered at meetings of their respective prime ministers, nothing further has been done. Now, however, it is necessary to check these words and these commitments against the facts, and the fact that awaits us, which no one — still less, the Parliaments — can evade, is that it is necessary to decide, in more precise, more concrete terms than ever before, the destiny of Europe.

In conclusion, Mr Papandreou, may I offer you and, through you, the Greek people, our most cordial good wishes for success and happiness.

(Applause from the Left)

Mr Bangemann (L). — *(DE)* Mr President, I would like to begin by thanking the President of the Council, especially since I must say that he has exceeded my personal expectations. When I see that the Prime Minister of a country which, represented in his person and his party, entered the Community with fairly low expectations is doing so much for progress in the Community, I must hope the same proportionally will be true of the future presidents, whose countries joined this Community with much greater expectations.

I would also agree that the clarity of vision which this summit managed to achieve, the negative clarity of vision, does offer a basis for more positive developments. The summit would have been even more disastrous than it already is if attempts had been made to conceal the failure. The fact that he has come here and told us quite openly and plainly that they also refused to put up any kind of window dressing surely offers some chance of more positive developments.

But we cannot stop with these polite words. That is obvious, nor is it our role in Parliament. I think we should spend a moment or two on considering the real cause of this failure. We have heard from nearly everyone that it was the lack of political will. That looks to me like a miracle of nature. When one talks to the individual members of the summit, each of them personally shows the best political will in the world. I do not know a single one of these heads of state — Lady Elles even confirmed this for her Prime Minister — who is not full of the best political will in the world. But then ten people meet together and *in toto* that meeting lacks political will.

What actually happens? Mathematically it is inexplicable. If you combine ten positive elements, you should really get something positive and not something negative. In my view there are only two possible explanations and we must consider them here, otherwise things will not improve in this Community.

Bangemann

The first possibility is that each individual has the political will but not the ability or the will to stand up and do anything serious about it. In other words, we describe the summit as a meeting of Heads of State or Government, but in reality they do not seem to be that. In that respect, Lady Elles, perhaps we should not only change the title but perhaps say in public that compared with what the Heads of State or Government achieved at the beginning of the European Community i.e., compared with the people of those days who really were statesmen, the meeting of Heads of State or Government has now declined to a level at which it can no longer survive in history.

(Applause)

No one can shift the responsibility onto anyone else. It lies with each individual. I would like to see the moment when a Head of State stands up and says: I am fed up talking about olive oil, milk and suchlike when my house is on fire. True, Lady Elles, we are talking about butter now and not about guns any more, but the others around us are talking about guns and deciding about war and peace — and we let them do with us what they will, while we talk about olive oil, milk and other things. That is shameful!

(Applause)

The second possibility is that if each individual does not have the necessary courage, we must move to majority decisions. Lady Elles, I think you are making a mistake there. For we are simply not living in a democracy in the European Community. That is the only reason why we are failing here. Perhaps we are living in democracies at home, but in Europe, we are simply not living in a democracy but allowing the people who are supposed to be acting on our behalf and representing our will to meet in closed session without any subsequent discussion of where the responsibility lies, and not to outvote any individual who is delaying the whole business. No, only when we live in a democracy in Europe will we live to see a genuine Europe.

How to achieve this? We will achieve it only if we pitilessly lay bare where the responsibility lies. Maybe no one person is responsible for the failure. But it is also true that everyone must take some responsibility for it. I will only quote a few examples, because there would be no end to it if I tried to reveal every mistake.

True, the United Kingdom is now rejecting the ideas of the *juste retour*. For a long time this country, this president and this government adopted the same position. For we can still hear what the UK said: 'I want my money back!'. Alright, that has changed. But does that mean that this Parliament — including the Conservative Group — should therefore accept the UK proposal by which

the Community's revenue would have been if not drastically cut at least restricted, simply in order to achieve a balance? We are deciding the reverse here. What I want is for the Vice-Chairman of the Conservative Group to stand up and say: 'On this question I disagree with my Prime Minister even if she is a woman'!

(Applause)

Do not worry, I will come to my own country and my own government too in a moment. I can understand the polite words Ernest Glinne addressed to the French Government — it is a member of his party. I can understand that. But on the other hand, as Chairman of the Socialist Group I must also say that it was the French Government that made a proposal that would have destroyed the European Parliament's budgetary powers — our last chance, as you yourself said, to influence Europe and the development of Europe.

(Applause)

That is not acceptable. That cannot be accepted. Anyone who is a Socialist has to stand up and say: that is no good! I tell you frankly as a Liberal that I simply cannot understand why government considered it so important to treat the MCAs in the manner it has proposed. Either we have a common agricultural market, in which case we must do away with the MCAs, or we do not have one!

(Applause)

I do not want to go into this matter any further, but I think these examples show... I want to give one more example, because our Italian colleagues often boast of having a particularly strong sense of Europe. I would have liked to hear from Mr Barbi on the extremely quixotic proposal from the Italian Government to the effect that it must first raise its milk production, which now accounts for 60 % of domestic consumption, to 100 % before it is prepared to discuss any restrictions on milk production. Following that same reasoning we Germans could say that first we want to build up our production of olive oil, for we do not produce any olive oil at all but we do consume it.

We are faced with the problem that everyone treats their own little selfish interest as a sacred cow and no one is prepared to take the great decisions that are really facing us. We have many Japanese visitors. True. But they visit us because they want to take a last look at an Inca civilization which is about to disappear.

This country, this continent, has forgotten its real vocation. We are different kinds of Europeans. We live in different cultures and we are proud of that. But we have lost the ability to turn these differences into a genuine force, by combining them. That is the mistake the European Community has made. All

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one can say now is : how much more has to happen before anything is done ?

(Applause)

Mr Rolland (DEP). — *(FR)* Mr President, ladies and gentlemen, as might have been expected, previous speakers dwelt particularly, and with great eloquence, on the failure of the Athens Summit. Everybody in this Chamber feels keenly that this failure affects the whole of Europe, its present history and future development, and the gravity of the situation has not escaped the notice of any of our colleagues. But neither has it escaped the notice of public opinion in all the member countries of the European Community. After two other European Councils, practically without results, the failure of the Athens Summit is a very serious blow to Europe. But I do not wish to linger on regrets ; I believe it is now essential, if we do not wish to let European construction and the European idea drift towards some unknown grim horizon, that the next few months should give Europeans a chance to strike out again along firmer, clearer and more well-defined lines.

I shall point out two more errors that were made, not to underline the responsibilities — because this is not what we are aiming at — but so that, in the coming weeks, we may avoid making the same mistakes again.

Firstly, the procedure followed for some months, not to say for some years, to solve the Community's problems seems deplorable. It is completely abnormal that Heads of State or Government, assembled in Athens for a few hours, should have to take decisions on a proliferation of technical, agricultural and budgetary matters, all interrelated and calling for a very high degree of technical expertise in order to understand them. Questions such as these should never have been raised at this level. European Councils are there to set guidelines. It is for the Council of Ministers and their experts to apply these guidelines.

Secondly, we note, with regret, that the practice of imposing prior conditions is being resorted to ever more frequently. If this were to become a general practice, it would put an end to the Community. It is impossible to visualize councils and negotiations, if certain Members declare in a peremptory tone that they refuse to discuss certain matters unless a satisfactory answer is first given to their previous demand. Such a frame of mind is incompatible with the European will that should radiate from our work.

After all, what we experienced in this Chamber a couple of weeks ago was, in a way, a smaller version of the Athens Summit, since we witnessed a refusal on a very important point which, in these circumstances, has already caused major worries. I think it

is time to remind our British friends that, in the circumstances, they took the worst possible way of asserting their claims. If they had set about it in a different way, if they had not blocked the fixing of the farm prices, if they had not imposed prior conditions, we would not have refused to give them a sympathetic hearing, to study the problem and, more than likely, to find another equally acceptable way of dividing the budgetary costs. But to call into question financial solidarity, thus calling into question the Common Agricultural Policy, and to make British budgetary compensation a prior condition to any negotiation — well ! there too, it was a question of money ! — is an absolutely deplorable procedure. I am surprised that the British, who are such clever negotiators, did not become aware of it in this Chamber a long time ago. Our British friends give the impression of loving money more than Europe. We have known them to be more generous, and it is this that we remember. To try to make Europe dance on a razor's edge could plunge it into absolutely insuperable difficulties, if ever again we were to meet such demands.

There is another problem which, in our view, seems all-important, that is enlargement. Indeed, we noted that a certain number of resolutions dealt with the problem of enlargement. We do not think that we should follow them onto this ground ; this is an area where it is important to remain unambiguous. In the past we have tried to be unambiguous and not to promise any deadlines that we knew would not be respected. In the future, as in the past, we intend to remain faithful to the same political stance. Considering the Community's present state of affairs, it is important that matters should be straightened out before considering any enlargement.

Some of our colleagues believe that all this is not the fault of inadequate institutions. We have often had occasion to assert that this was not what we believed. The institutions have no merit if they do not command the loyalty of the citizens and are not supported by constant determination on the part of the governments.

What we lack in Europe is determination on the part of governments and not decision-making machinery. We must be told clearly what the governments intend to do. We realize today that the governments are not sufficiently motivated by European determination, European dynamism. If that were not the case, the Athens Summit would not have ended with a European failure, more especially as, in comparison with what was at stake, the problems debated at the Athens Summit were of rather secondary importance.

Mr Capanna (CDI). — *(IT)* Mr President, Athens was defeated and, this time, it was not besieged by Rome.

Capanna

Responsibility for the failure of the Summit certainly does not lie with Greece — the last to join the Community; indeed Greece, like Italy, is the country worst hit by the present way things are going in the Community.

At Athens it was the old Europe that failed — the Europe of the green vegetables, the Europe of the narrow-minded nationalisms, the short-sighted Europe, bereft of independence, totally servile to the United States.

The Athens Conference seemed less like a meeting of Heads of State or Government, and far more like a trader's meeting, with everyone prepared to sell and no one willing to buy, except at their own prices. And from this point of view it should be said that the petulant whining of the British has now become unbearable.

No, Mr Thorn, the cause of the failure does not lie, as you said, in the procedure governing relations between the Commission and the Council. It lies, instead, in the corporatism of individual States, in the intercapitalistic contradictions between the ten countries, and in the inability to solve these contradictions — an inability that has long existed, and that has now exploded into the light of day.

For my own part I thank President Papandreou for his strong condemnation of the high rates of interest practised in the United States. It is in fact increasingly evident that the unopposed supremacy of the dollar undermines the economy and the development of the world. But, in opposition to the United States, Europe has only a mixture of availability and impotence to offer. And this is a strange thing, Mr President, this European schizophrenia; Europe is divided on the question of vegetables, but is solidly united, with all its institutions — the Council, the Commission and this Parliament — in packing Europe chock-a-block with American missiles and weapons.

There is a further aspect of the failure, and I am sorry that President Papandreou made no reference to it. At Athens there was a political failure in regard to the question of the Middle East. It would have cost nothing — since it was not a question of vegetables — to take up a political position in regard to the Middle Eastern problem. Instead, nothing! Arafat and the other Palestinian patriots are held up at Tripoli in the Lebanon. Israel imposed the hold-up, flouting international law and going against the views of the UNO, and Europe — to its shame — said nothing. Indeed, there is now present, in the Parliament building, a delegation of members of the Israeli Knesset.

In a few months time, as honourable members know, the elections will take place. I hope that the peoples of Europe will make you pay, and pay dearly.

Mr Papandreou, President-in-Office of the European Council. — (GR) I would like to extend warm thanks to all the speakers, to Mr Glinne, Mr Barbi, Lady Elles, Mr Fanti, Mr Bangemann, Mr Rolland and Mr Capanna, for the positive things they have said regarding the Greek Presidency.

I am very glad to note that Parliament is fully cognizant of the fact that the Community is passing through a critical stage. This is not really an apt time to go over what we have said, but if the European Council is to function properly it must confine itself to the major decisions. All the other work must be done before the heads of government convene for their meetings. Time is short and we really are in a critical stage. Very many purposeful and courageous decisions will be needed in order to prevent the Community slipping into final deadlock. This applies to the increase of own resources, the accession of Spain and Portugal and as regards giving the structural funds a new, different and more important role so as to help bring about economic convergence and stop us being forever a Europe of two rates of advance. Firm support must be given to new policies and one of the most important of these is the effort we are making not to miss the third industrial revolution. At present we are on course for this, but time is running short.

Since the question has been asked I must venture an answer as to why it is that the members of the European Council are unable to agree when they come together, whereas individually they show an awareness of the problems. There are two reasons for this, I think. One of them is linked directly with the worldwide economic recession which is affecting Europe in particular. When the cake is finite in size, or getting smaller, every different slice is to the advantage or disadvantage of one or another. We do not have the room for manoeuvre that we would have if our national economies were expanding at a fast rate, and this is why I believe that first priority should be given to what is being called 'relance', resurgence that is, the revival of the European economy, because if we can get Europe on an upward trend — and this is linked directly with American interest rates — decisions will be easier.

The second reason is the narrow concern, the fixation I would call it, with receipts and contributions, with gain and loss in the budgetary sense. This is a mistaken approach because a country's gains or losses are assessable not only on its budgetary position but also via the benefits and harm it accrues or suffers in the Community context overall: trade balances and monetary policy, etc. It has also been asked why there was no political decision on the major issues of the day. I must assure you that we have a complete awareness of how critical the international situation is, of the heightened tension and of the rapid arms escalation, in nuclear weaponry, unfortunately, in which

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both sides are engaged. With so many potential flash-points — such as the Middle East, the problem in Central America, the Cyprus problem, Chad and Afghanistan — one could have expected us to take positions, and indeed we should have done so.

There are two reasons why we did not take positions. First because of the total failure to reach any form of agreement in the economic field. Let me tell you, there was agreement on nothing, and I mean that completely, on nothing. No one was prepared to lose even a penny, and it would have been a trifle strange if a European Council which had failed utterly in its mission had taken positions on matters in the world at large. What right have we to concern ourselves with the problems of others when we cannot find solutions to our own internal problems? This was my decision, in fact, and I take full responsibility for it.

The second reason is that when our officials got together for discussions about a final communiqué on political matters the only point on which there was complete identity of view was the Cyprus question. And of course, it was not possible for just one decision, on Cyprus, to come out of a Council, no matter how much pain we, as Greeks, feel about that issue. Actually, I fear that the European leaders — I do not choose between them, and they are all personal friends — have not understood just what a critical time this is, and how difficult it will be for us to alter course if much more time goes by.

(Applause)

(The sitting was suspended at 1.10 p.m. and resumed at 3.15 p.m.)

IN THE CHAIR: MR NIKOLAOU*Vice-President*

Mr Cottrell (ED). — Mr President, ever helpful as I am towards the Presidency and its view of Parliament, I wonder if I might seek your advice on trying to solve a problem before it arises. Yesterday the President, Mr Dankert, stated that it would be in order for me to submit, in the form of a resolution or an amendment, a proposal that the special part-session from March 26, if approved by Parliament, should be held in Brussels. There now appears to be some doubt from the services of the President as to whether this is in order or not and whether such a resolution tabled by me would find its way to committee. This, of course, is not the proposal which I have put before the House. I merely wish the House to have an opportunity to express its view not only on whether that part-session should be held, but indeed where it should be held. I therefore welcome your clarification on this matter.

President. — The House and the Chair have heard what you have had to say, Mr Cottrell. I remind you

that the matter will be discussed at the meeting of the Bureau and the enlarged Bureau tomorrow. After that, either tomorrow or the day after, it will be put to the vote in the House, which is what you are asking for.

Mr Cottrell (ED). — I am sorry, Mr President, I do not want to prevent the President-in-Office from making his statement, but you have not, in all due respect, answered the point I put to you. I know perfectly well, and so indeed does the House, that there is to be a vote on Thursday as to whether this session will take place or not. That is not the point at issue, as far as I am concerned. What I specifically asked you was to confirm that what the President, Mr Dankert, said yesterday remains correct, namely that the House will be given an opportunity, as the result of a resolution tabled by myself, to vote on what the venue will be for that special session.

President. — I understood you very well indeed, Mr Cottrell, both now and previously. The point is that, before the matter is put to the plenary, the Bureau and the enlarged Bureau will decide on both the date and the venue of this extraordinary part-session when they meet tomorrow, because that is where the question as to how the matter can validly be put to the vote in accordance with the Rules of Procedure will have to be solved.

Mr Enright, I request you not to press this point of order for too long because, as all of you are aware, this week's agenda is very heavy and we have very little time.

Mr Enright (S). — Mr President, I most certainly do not want you to set aside Rule 10, paragraph 2 which say that Parliament decides. If that is the case, then certainly I shall be quiet, because I came here to hear the President-in-Office of the Council who, as usual, will speak extremely interestingly.

President. — Rule 54(3) of the Rules of Procedure states:

'The President shall decide whether amendments are admissible.'

It would basically be an amendment since it envisages not only a future part-session but also the place where the extra part-session will take place. As far, as I know the first question has been settled. I shall apprise the Bureau and the enlarged Bureau of the second.

Mr Charalambopoulos, President-in-Office of the Council. — *(GR)* Mr President, ladies and gentlemen, Greece assumed the presidency at a particularly crucial time for the Community. There is no doubting that the serious and long-term world recession has gravely affected the functioning of the European Community. During this six months we have faced a

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large number of issues of definitive importance for the future of the Community. The most important of these were contained in the Stuttgart package, namely future financing, the development of Community policies, the Common Agricultural Policy and matters pertaining to enlargement. The Greek Presidency submitted its proposals to the Athens conference, and you know what the outcome was. In any case the President of the European Council has himself told you about this. I shall confine myself to the remaining matters which the Greek Presidency has been concerned with during the six months. We took it as our objective to press ahead with those options which can ensure new, vigorous, but also balanced, development for the Community right up to end of the decade. In order for this to be achieved it is essential that the Community's policies are reshaped and adapted in line with the present economic conditions. We believe that the convergence of the Member States' economies and the reduction of inequalities between the developed and less developed countries are preconditions for any new move forward by the Community. This imposes a need for the Community to redefine its role in line with the important changes which have taken place in the international arena and the new situation pertaining in the Community itself. We believe that the European Parliament has an important part to play in this process. The Greek Presidency has shared in the concerns of the European Parliament and, wherever possible, has promoted matters which are of direct interest to Parliament, such as, for example, the role of the European Parliament in the conclusion of international agreements and treaties of accession. I believe that the Council will shortly be in a position to let you know the outcome of its deliberations in this particular respect.

However, I do want to mention the other special sectors as well. The revised regulation on the Social Fund contains new provisions which give priority to actions aimed at helping young persons up to the age of 25 by raising the rate of support to not less than 75% of the sums already allocated by the recipient parties. It should also be noted that 40% of the credits available for actions in the context of labour market policy will be reserved for actions undertaken in the less developed regions. The Council has approved a resolution in connection with the social sector and the fight against unemployment which lays down certain guidelines on vocational training policies up until 1990, as well as a resolution on steps to be taken in connection with vocational training in the new information technologies.

As regards worker protection, the Council has issued a directive which gives workers protection against exposure to asbestos. It has also agreed on a resolution relating to a second programme of action on health and safety in the work-place. In connection with the common agricultural policy the Council, having decided to raise farm prices for the period 1983-1984

by something like an average of 4%, has continued with its efforts to bring a better balance to this important common policy. In the context of an overall compromise solution agreement has been reached on matters of substance relating to adjustment of the present Community régime for Mediterranean products as regards both the fruit and vegetables sector and the olive oil sector. This is an important decision because, apart from anything else, it opens up the way for enlargement. On fisheries the Council has issued a resolution dealing with the modernization and development of certain trawling fleets and a directive which makes adjustments to the productive capacity of the fleets. In the fields of energy and energy research there has been substantial progress. The Council has issued two regulations dealing with the provision of financial support for, on the one hand, alternative energy supply and energy saving demonstration projects and, on the other, for industrial prototype units and demonstration projects in the solid fuel liquefaction and gasification sector.

In the field of research the Council has instituted a Community research programme in science and technology, and has reaffirmed its support for Esprit, the first European programme of research and development in the information technologies. This important programme is currently being discussed and a final decision is due. Substantial progress has also been made on the internal market with the issue of important documents. From amongst these the following are deserving of special mention: the 7th directive relating to the merging of accounting operations between groups of companies which has as its aim the promotion of cooperation between undertakings and the improvement of the investment climate, the directive which deals with credit house mergers, and the various regulations on customs exemptions and processing under customs control.

All the decisions I have just mentioned, together with the intensive overall process of negotiation which has been under way since the Stuttgart Council, allow us to be hopeful about the talks going on with a view to the accession of Spain and Portugal. The Greek Presidency has made every possible effort in this respect. In the talks with Spain the only important industrial sector problem still outstanding is that concerning the duration of the transitional measures. Agreement has also been reached on the whole of the taxation dossier and on several points in the foreign relations dossier. On fisheries there has been substantial statement of positions and this will help towards the search for a solution of the problems which exist in this important sector. In the case of Portugal two further dossiers have been closed; those dealing with the harmonization of legislation and with the environment and consumer protection. In addition negotiations have begun with Portugal on the agricultural sector. Given the likelihood of the accession of Spain and Portugal the Council has decided to extend its economic cooperation with the two countries.

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The Community has continued its fight against every tendency towards trade protectionism, particularly in the cases of its two main trading partners, the United States and Japan. The Council informed the United States of its deep annoyance about the reliefs given to American producers of special steels because it deemed these measures a threat to the Community's exports and considered that they cannot be justified on economic grounds. Following the Community's representations the United States Government has expressed its willingness to comply fully with GATT regulations and has undertaken to find a solution to the problem which will be satisfactory to both sides. The negotiations are continuing. The Council considers that the position taken by the United States on the compensatory levy is unsatisfactory. As regards relations with Japan the Council has voiced grave anxiety about the continuously worsening trade balance, and it considers that the recently approved measures are not substantive enough to bring tangible benefit to Community producers quickly and effectively. On the international front the Community is pressing ahead as ever with its efforts to promote development through political cooperation. The Council has issued its regulation on the implementing provisions governing food aid in 1983 and has also agreed on a regulation dealing with the implementation of a special programme to combat world hunger. During this same period the Council has laid down the basic elements of the Commission's mandate in the negotiations with the ACP states for the renewal of the Lomé Convention. These negotiations began officially during the ministerial conference at the beginning of October.

The Council took that opportunity to declare its willingness to negotiate a new convention with two aims in mind. First of all to ensure continuity through retention of the model and innovative aspects of the previous conventions, and, secondly, to give a new impetus to relations with the ACP countries. This will be achieved by adjusting the Lomé system in line with experience, by developments in the economic situation, and by improving the efficiency of foreign aid provision.

Before moving on to my report on European political cooperation I want to give warm thanks to the staff of the General Secretariat at the Council, and to the corresponding services of the Commission and Parliament, for their important assistance and for the exemplary cooperation they have given to the Greek Presidency.

Mr President, ladies and gentlemen, I want to speak now about European political cooperation. The main objective of the Greek Presidency in this area has been to engender and promote joint positions on current international problems and to set in motion new initiatives. However, having said that, the settlement of most of the problems depends on factors over which the Ten, for reasons I have advanced previ-

ously, are, unfortunately, unable to exert an influence. Nevertheless, we have tried, whenever conditions have been propitious, to encourage and support those trends capable of engendering the sort of movement in positions which we have considered essential to the finding of solutions.

One of the most critical problems is, of course, the situation in the Middle East, and during the past six months there has been a significant worsening in this situation. The unity of the Lebanon is in serious jeopardy, the Palestinian movement is torn by internal strife that threatens its very existence, and of late the situation has escalated to such an extent that it is hard to forecast what the outcome will be. Given this situation the Ten have concentrated mainly on exerting calm over the opposing factions so as to lessen tension. However, the increasing conflict and constant ceasefire violations have led to an explosive situation and to results of which we are all aware. Nevertheless, the Ten have repeated their basic approach to the problem, and if all the parties involved were to accept this it could lead to a just and lasting settlement. I believe that the effort to bring about national reconciliation which has begun in Geneva is a move which the sides involved must exploit to the full. It is manifestly obvious that the whole situation has been complicated and pushed in the direction of total impasse as a consequence of the policy pursued by Israel. However, the problem of the Middle East is not confined to the Lebanon, because, unfortunately, the war between Iran and Iraq is still being waged, and in the present circumstances it is difficult to forecast how things will develop in this respect.

In the more general context of relations between the Ten and the Arab world the Presidency has reinstated the Euro-Arab dialogue. As you know, the General Committee with responsibility for the dialogue, which is the senior body at the servicing level, and which last convened in 1978, is currently meeting in Athens. The Committee will review the achievements of the dialogue to date and seek ways of promoting it further in the economic and educational fields, as well as in other areas.

Since the Euro-missiles began to be deployed and the Geneva talks were suspended East-West relations have entered a critical phase. I will not say more about the matter because the positions we each hold are known. However, I believe that we do all agree on the need to find a way of restoring the climate of *détente* in Europe, because the arms race carries with it dangers that are unacceptable to any rational person. Moreover, you know about the proposal the Greek Presidency made with regard to postponement of the deployment of the Euro-missiles for a period of six months, the objective aim of which was to contribute to *détente* and dialogue, and to arms reductions, given that the growth in armaments, and in nuclear weapons especially, poses a deadly threat to the survival of humanity.

Charalambopoulos

On this point I would like to refer back to what the President of the European Council said today from this platform, namely that the Greek Government's proposals on de-escalation are directed at all sides. In spite of the dismal climate of East-West relations the Madrid conference achieved its objective with the adoption of a final text that can be described as satisfactory. When, briefly, the success of the conference seemed in danger because of the disagreement between Malta and other countries, the Presidency undertook to convey the views of the Maltese Government to the other negotiating partners in order to help resolve the problem which had arisen. The success of the Madrid conference has led on to the preparatory conference in Helsinki. Happily I can assert that with their constructive stance the Ten contributed to the satisfactory outcome of this conference. This augurs well for the commencement of the European disarmament conference which will have as its first target the adoption of confidence-building measures aimed at improving the political climate in Europe.

The recent exacerbation of the Cyprus problem provided the Ten with the opportunity to reaffirm their support for the independence, territorial integrity and unity of the Cyprus Republic, to manifest their disapproval of the declaration of the bogus independence of occupied Cypriot territory and to urge other members of the international community not to recognize the self-styled 'Turkish Republic of Northern Cyprus'.

When I was in New York, accompanied by my German and French colleagues, I met with the Foreign Ministers of the Contadora countries as part of our attempt to help in finding a solution to the Central American crisis.

We established an identity of view. Furthermore, we had a meeting in Athens with President Reagan's special representative, Mr Stone, at which we were able to stress the anxiety we all feel about the situation and our wish for the problem to be solved peacefully.

The Ten have traditional links with Latin America, and as regards our relations in general with that part of the world we believe that economic cooperation should proceed hand in hand with political cooperation. This will help to bolster democratic developments in the region. We all welcome the restoration of democracy in Argentina and it should serve as an example to those other countries which have dictatorial régimes.

There is a lack of movement in the situation in southern Africa, and this is causing the Ten some concern. In my speech to the General Assembly of the United Nations on behalf of the Ten I stressed that Namibia must achieve its independence without further delay because all the preconditions laid down

have been fulfilled. I also made it clear that we condemn the system of apartheid quite unequivocally. In addition I condemned South Africa's continuing incursions into neighbouring countries.

The Presidency has been, and continues to be, active in coordinating the various positions of the ten Member States in the international forums, chiefly at the United Nations. Even though we might not always vote in unison our policy in this year's General Assembly will continue to be governed by unswerving commitment to international legality. The Presidency has promoted consultations and exchanges of view with third countries. In New York the troika met at ministerial level with the Foreign Minister of Japan and at political director level with the competent American assistant under-secretary. The Greek director of political affairs had talks with senior State Department officials. Next week the troika is due to have ministerial level consultations with Japan and Portugal. In the context of political cooperation there have also been positive exchanges of view with various states including Norway, Canada and China. Furthermore, a desire has been expressed by India for the establishment of a dialogue with the Ten, and this has been accepted. A first meeting has already taken place in Athens.

During the six months that have gone by the Presidency has maintained regular contacts with the European Parliament. My two meetings with the Political Committee, but Question Times also, have provided good opportunities for the exchange of information. Even though these exchanges have not always led to the same conclusions, they have, as far as I am concerned, been particularly useful in giving me an insight into the political philosophies of the various parliamentary groups. I must add that when formulating their own positions the Ten take adequate note of Parliament's views.

In conclusion I think it can be said that political cooperation has functioned satisfactorily during the term of the Greek Presidency, in spite of certain difficulties that have cropped up as a consequence of the natural divergence of the Member States' positions on foreign policy issues. The cohesion shown by the Ten has permitted them, as in the past, to play an important role on the world stage. Colleagues, I think it is quite clear that in order for the Community to be able to embark on a new course what is needed — over and above the efforts made by each presidency, and the Greek Presidency did its utmost to bring about an agreement — is a demonstration of political will on the part of the ten Member States.

(Applause)

Mr Plaskovitis (S). — *(GR)* Ladies and gentlemen when we debated the Spinelli report on European Union last September those of us in Pasok empha-

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sized the point that in the absence of any prior attempt to get to grips with the urgent economic and social problems which are ravaging the peoples of the ten Community countries, and which are responsible for the differences in their standards of living, the motion on Union was premature and lacking in substance.

We stressed then that, at this difficult time, there has seemed to be a greater preoccupation with lofty words and unrequited visions than with stepping up the search for points of agreement on ways of working out a realistic programme of development, and on how to get rid of the appalling disparities, with those who have reaped the lion's share of what the Community has to offer ever since it was first set up manifesting a willingness, at long last, to accept sacrifices. That is what we said in this Chamber then, as well as on other occasions. And lo and behold, hard on the heels of Stuttgart, the Athens Summit has borne us out. What Stuttgart is supposed to have achieved is well known and need not be repeated in detail. Albeit belatedly it recognized the major and specific problems which exist, listed them in a global report and requested, or rather gave the Greek Presidency, which was due to take over, a mandate to tackle them in an integrated fashion, instead of separately one by one. We believe that the Greek Presidency has in fact acted in full accordance with this spirit, and has viewed the prospect of a genuinely united Europe as its highest objective. But the question is, how did those who took part in the Athens Summit respond to what they are supposed to have accepted and agreed on in Stuttgart? How on earth could it have been possible for the heads of government to tackle the problems on a global basis when from the very first moment what concerned them was the price of milk, and after that the repayment of an enormous sum to the United Kingdom in line with the principle of fair shares for all? But then what ought Greece to have said about the progressively deleterious effect that membership of the Community has had on its balance of payments? What should it say about the fact that the industrialized countries of the Community are free to place their products on the Greek market, while Greek exports to the Member States in the north meet up with terms and conditions that afford them no real protection and no shadow of preference. Even so, judging by the information we have to hand, the Greek Presidency's main written proposal of 30 November, in particular, and the special compromise proposals laid before the Council on the morning of 6 December, as well as what has emerged from the statement made today by the Greek President of the European Council, it follows that right up to the end certain Member States engaged in a desperate attempt to maximize the satisfaction of their own special demands as the price for opening up a dialogue on the more general issues of economic expansion and the restructuring of the Community in line with what was agreed on in Stuttgart.

Regrettably it appears that there was an absence of political will and an incomprehensible rigidity, not just in the context of the failure to reach an agreement, but even as regards allowing the debate to graduate just this step forward.

Colleagues, as other sides have said on occasion, the European Community has for years been, to put it very simply, something of a lame duck. Having started off as a customs union and free market, and with a common agricultural policy which at that time embraced mainly developed and industrialized countries with farming sectors which account for between only 8 % and 11 % of their populations, it is exhibiting the symptoms of a crisis which was bound to develop as time went on. And instead of all of us sharing in a common understanding that the only way to take the sting out of the difficulties and overcome the crisis is through an injection of new funds, harnessed, naturally, with more rational management of expenditure, each of the partners, particularly from amongst those with the greatest availability of funds, is exclusively bent on preserving its own existing advantages and on entrenching its demands on a Community which is thus condemned to remain narrowly financial.

In winding up we wish to highlight the fact that a small country like Greece, where the party which forms the present government foresaw the dangers which membership of a Community made up of wealthy countries held for it, has none the less made every possible effort to point out the way to a better vision of Europe, in spite of having been castigated as anti-European by certain persons in this Chamber. I think that today we have every right to urge the 'fanatical' Europeans to approach their governments with the fitting demand that they practise what they really believe in, instead of resting solely on words.

Mr Croux (PPE). — (NL) Mr President-in-Office of the Council, ladies and gentlemen, we are not talking about the Greek Presidency and the summit meeting in Athens because we want to criticize the Greek Presidency. Greece has had the Presidency at a difficult time, but we feel that progress has been made as regards Greek participation in the European Community's activities. As for the activities of the President of the Budget Council — and I was in a position to assess them personally — I am pleased that so much importance was attached to consultation with Parliament.

We cannot, more's the pity, give a favourable assessment of the six months of the Greek Presidency or of the Athens summit. I should like to consider this in terms of the position adopted in Stuttgart, not as it was stated in the final communiqué but in the solemn declaration of Stuttgart. Even in the report I drew up on the European Act, the Genscher-Colombo initiative, I said that, if this initiative by the Italian and

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German Governments failed, if it did not result in appropriate action being taken, we must realize that the European Community would be in a state of serious crisis, even with regard to its position in the world because the world around us would not understand what was going on in Europe.

Then came Stuttgart with its solemn declaration. We found it unsatisfactory and, what is even worse, we now find that what the Stuttgart declaration says has not been implemented by the European Council. We have heard President Papandreou say today that it has not been possible to issue a statement on European Political Cooperation. He added that there would have been no point at a time when we cannot even solve our internal problems. Nor has the Council produced a report on the European Union. It was said in Stuttgart — and this was a new element — that the European Council would bring out an annual report on progress towards European Union and that this report would be debated in Parliament in the presence of the President or a member of the European Council. We should like to know from you why this report has never appeared.

I now come to the main point of my statement. I did not think it so bad that no solution was found to the financial problems in Athens, but I am critical of the fact that the opportunity was not seized to adopt a new policy which we so badly need. As various speakers have already said, what was to be discussed in Athens was a very small proportion of the Community's finances, and let us not forget that our budget does not even amount to 1% of the Member States' GDP. I am not referring to United Kingdom now, but to Germany. For the Federal Republic all that was at stake was 0.3% of its GDP.

There are many other examples to show that these financial problems are minor in comparison with what the deficiencies of the Community cost: 15 000 m ECU a year because the internal market is not functioning properly, 40 000 m because tenders for public works are not invited on a European scale, and so on and so forth. No monetary union and no European capital market. We are the greatest savers in the world, accounting for 50% of the world's savings. But we are not even using this money, and yet it is said — as the Greek Presidency has just done — that we do not have any money for investments.

A few days ago the British Prime Minister criticized the United States of America. She said that we in Europe were financing its budget deficit. But let us be perfectly honest. It is we who cannot achieve monetary union. It is we who are allowing the European Monetary System to work unsatisfactorily, and it is we who have failed to set up a European capital market. None of this needs to be translated into budgetary terms, but understanding, effort and faith are certainly needed. There is no economic convergence, no scientific research and no technology. We know the

figures. If we put the index for the key technologies in Europe in 1963 at 100, Japan's index stood at 72. By 1981 Europe's was 81 while Japan's was 137, almost double the 1963 figure, and we know what consequences this has had. What has this meant for employment? We have 12 million unemployed, many of them young people. For some years we have accounted for 5% of the world's population. That is a small, almost dramatic percentage when compared with the past. But it is nonetheless the same as the Soviet Union's, and it is higher than the United States' and more than twice Japan's. The conclusion I draw therefore is that there is a glaring contrast between this emergency situation and the solemn declarations and meetings of our European Heads of State or Government.

Europe's political leaders are clearly not seizing the opportunity to shape Europe to meet present needs and the needs of present and future generations. Politically, we are failing to give our European Community the shape it should have. There is not much time left for this. We must act more quickly than in the past to develop other supranational or federal organizations.

What is Parliament's reaction to this? What can Parliament do? Parliament does not need to act on its own because in every democratic régime there is a body representing the people, a ruling power and a government. They must work together. We cannot give all the responsibility to Parliament, the European Council or the Commission. We must work together, and the European Council is not yet sufficiently aware of this.

Tomorrow and the day after we have to vote on the 1984 budget. We shall do so with wisdom and determination. We expect the Council to appreciate the difficulties we face as a Parliament. In a few months' time we shall be discussing a strategy for economic recovery: the Albert and Ball report. A great deal of effort is being put into this, and we hope that Parliament will succeed in developing a new strategy and that the Council will take the decisions needed to follow it up. After that, we shall be discussing the new institutional project for the European Union. I know that some people are saying this is academic, unrealistic, but the last clause of the Stuttgart declaration considers it possible for the situation to be reviewed within a maximum of five years and for a treaty on the European Union to be drawn up after the European Parliament's views have been heard. This is a clear commitment on the part of the European Council. We of the European Parliament are in the process of drafting a new treaty for the European Union.

Has the moment not now come for us all — the Heads of Government, the representatives of the national parliaments and the representatives of the citizens of Europe in this European Parliament, who must again submit themselves to the electors, to the

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people in a few months's time — to work together? Is this not the message we should be able to give to the people of Europe, each on his own responsibility? We seriously hope so.

President Papandreou has just asked whether we should not be thinking about a new Messina conference. My group has proposed this through Mr Jonker. The document concerned is now being considered by the Committee on Institutional Affairs. We will wait to see how the final vote on the whole of the institutional project goes. We should certainly look into this idea, but it should be a Messina conference in which Parliament and its representatives are involved. A great deal has changed in the Community since 1955. We believe that Parliament must be involved. The form the conference takes and the name it bears are immaterial. What is needed is a meeting at which the anxieties felt by the people in the Member States are discussed. That is what we must aspire to, and I therefore hope that the failure of Athens will have been a salutary experience. This is doubted in some quarters, but the next few months may point the way. We now face the French Presidency. The great initiatives for Europe since the war have come from France, or very many of them at least. We derive hope from the past, and we believe that the months to come may again bring progress. This will require major efforts. After the war, the fathers of Europe declared that times were changing and that a different policy and different political structures could therefore be introduced. Otherwise we shall forget our historical mission to safeguard the welfare and future of the people of Europe.

Mrs Van den Heuvel (S). — *(NL)* Mr President, I have noted with growing surprise that none of the Commissioners is present for this debate. I began by thinking this was not very courteous of Mr Charalambopoulos, but then I thought, oh well, perhaps the lunch break was taking longer than planned. But now it is almost ten past four, and there is still no Commissioner here. And I find this particularly surprising when I remember that one of the Commissioners is specifically responsible for relations with the European Parliament. After all, at meetings of the European Council the Commission's task is to represent the European view, and it therefore acts as the European Parliament's mouthpiece, as it were. I would therefore ask you to request at least one of the Commissioners to be present for this debate.

(Applause)

President. — Your comment has been noted, Mrs Van den Heuvel, and I will not make any comment. I just wish to remind you that the representatives of the Council and the Commission decide for themselves when to be present. If you are asking for my personal

opinion, as an individual Member rather than as President, I would say that someone from the Commission really ought to be here this afternoon. Perhaps there is some good reason for their absence. We all know that the conciliation procedure on the budget is taking place this afternoon and so perhaps many of the Commissioners have to be present to provide information required for the procedure.

Mr Fellermaier (S). — *(DE)* Mr President, what you have just said as a private individual does you honour, but I am now addressing the President. From my national parliamentary experience I am used to seeing a Parliament having the generosity to summon to the Chamber any member of the government who is not present. This is where the elected people's representatives meet, and the Commission is answerable to them.

If the Greek President of the Council is able to attend this afternoon, then we also have the right — and here I support Mrs Van den Heuvel — to expect that in spite of the on-going conciliation procedure a Commissioner will be here to take note for the Commission of what the Members have to say about Athens. After all, this morning we took note of what the President of the Commission said to us.

That is why I request you Mr President, to request the President of the Commission by messenger to send a member of the Commission to the Chamber so that he can report back later to the Commission what the Members of this House said in the debate. The elected representatives are sitting here. The others are appointed members.

(Applause)

President. — Mr Fellermaier, as there are already a large number of items on the agenda, I would ask you and other Members not to discuss the matter further. A representative of the Commission is already on his way here.

Mr Møller (ED). — *(DA)* Mr President, I am fully in agreement with Mr Fellermaier and Mrs Van den Heuvel in deploring that we have to conduct this debate without the participation of the Commission, and in fact I must say that I would have appreciated it if we could have done something to keep the Greek Prime Minister here for the afternoon sitting. He has now heard what the chairmen and the spokesmen for the groups think of the Athens Summit, but it would perhaps have been of practical value for him also to hear what we think, for we are after all Members with the same rights as the chairmen and spokesmen — at least we have the same voting rights.

I would have praised the President for his honesty in calling the Athens Summit, over which he presided, a fiasco. We are after all gathered here under the shadow of Athens. It was a fiasco then, and that is the

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best that can be said for that meeting. But why was it a fiasco, and why was it held at all? Was it held because it is now customary practice to conclude a presidency with what is called a summit meeting, at which European prime ministers gather and an occasional head of State adds a touch of splendour to the proceedings? Press participation is obtained, but if we look at the Treaty we see that there is no mention of the European Council. The founding fathers of the Community devised a finely balanced system consisting of a Court of Justice, a Parliament, a Commission and a Council. And the Council consists either of the foreign ministers or the ministers with the particular portfolio concerned. But there is no reference to a Council of Prime Ministers or a European Council in the Treaty. It was therefore an entirely self-appointed body which met in Athens. It has evolved out of the consideration that it would be nice to have an assembly to which the buck could be passed, if a problem could not be solved. Thus they started to call this gathering of prime ministers, heads of State, etc. 'the European Council'. That way they can get to grips with problems the rest of us cannot solve. As if they were in a better position to do so. They are — and history has proved it — less well placed to do so, because these heads of government are first and foremost politicians. They think more of the next election date than the future of Europe. When they meet, they have to consider their voters: what will our voters think? Shall we be penalized at the next elections for what we are doing now? Or will the people say: 'they looked to the future all right'? No, shortsightedness pays dividends, if you are a little politician, and that is what you tend to be when you are a parliamentary leader, for you stand or fall with the fate of your party on the next election day. If things go badly for your party, they go bad for you too. Your first concern must therefore be to get yourself through the next elections.

That is why things turned out as they did in Athens, with an assembly of politicians who did not have in their midst a single statesman of the stature of those who framed these Treaties, not one De Gasperi, Spaak, Schuman, Adenauer or Churchill, who could conjure visions into European cooperation. Things are bound to go wrong, when you hand over more and more decisions, even decisions on details, bookkeeping matters, to an assembly of people whose only thought is: will it pay me? If I make a sacrifice, what if the others do not do likewise? How will it affect me at the next elections? I'm the one who will be finished and who will have to pay the price.

It is sad to have to face it, but we could make a start by getting rid of this self-appointed assembly. I am well aware that it has considerable political power, not least over the foreign ministers. One prime minister, whom we all know, has had three foreign secretaries in quite a short period of time: she fires them in

batches if they don't do what she wants. That can be done of course, and that way the Council of Ministers naturally loses some of its power, but it was a finely tuned and well balanced mechanism which was built up in the Treaties, and it was this mechanism which was shattered when it was decided to leave the decision-making to the prime ministers. We then acquired a decision-making body which does not exist in the Treaty, and events have proved that it cannot take the decisions which need to be taken and solve the problems which need to be solved.

Therefore, Mr President, what is really wrong is that this conference of prime ministers was set up at all. Now it has been brought into the world, we can hardly abolish it. In any case we have no authority to do so, but it could abolish itself. I would have proposed to the Greek Prime Minister, if he had been here, that his last act on 31 December should have been to say to the other prime ministers: from now on we shall have no more meetings. We must now leave these decisions on questions concerning payment problems, bookkeeping problems, farm prices and the like to those whose responsibility they are, to the specific ministers, who have officials to act for them.

We must make progress in the cause of Europe. We must endeavour to ensure that it is raised above the milk problems, butter problems, surplus problems and all that is currently stifling us. We are sinking into the abyss of milk and are drowning in it, and that cannot be what we really want. I therefore say that the only good thing which came out of the Athens Summit was that it documented the fiasco; it has now been recognized, and I thank the Prime Minister for that.

(Applause)

Mrs Van den Heuvel (S). — *(NL)* Mr President, I am very sorry to bother you again. I know what difficulties the time factor causes, but as long as the Commissioners are not present, I wish to make the formal proposal that this sitting should be suspended until one of the Commissioners arrives. I would ask you to put this proposal to the vote.

President. — *(GR)* Mrs Van den Heuvel, in reply to Mr Fellermaier I already said that, according to information the Commission representative is on his way here. I would ask you to be patient, and if, after a reasonable space of time the Commission representative has not, in fact, arrived, we will put the motion to the vote. But, in view of the fact that we are pushed for time, the President of the Council of Ministers, who is here to listen to what Members have to say, must not be held up without good reason. We will carry on, and if the Commission representative has not in fact turned up after a quarter of an hour I shall put your motion to the vote.

Mrs Van den Heuvel (S). — If Mrs De March has no objection to speaking in the absence of the Commissioners, I am prepared to meet you halfway on this, out of courtesy to the President-in-Office of the Council, but if Mrs De March wishes to speak in the presence of the Commissioners, my proposal still stands.

Mrs De March (COM). — (*FR*) Mr President, I think the remarks of my colleagues are entirely justified inasmuch as our work cannot be interrupted now that the Council is present. Indeed, I do not wish to do an injustice to the Council, which has made this effort to be present — in contrast to the absence of the Commission.

Mr President, one must admit that in spite of the efforts made by Greece and the France, the Athens Summit has been a failure. Moreover, having heard the Greek Prime Minister, Mr Papandreou, I notice that we have much in common with his account of the facts.

I shall make several important comments on the Athens Council.

Indeed, we have reached the point where the dollar is worth more than FF 8.30, when the Community is involved in difficult and important negotiations with the United States on steel, agriculture, on draft American legislation with seeking to introduce highly protectionist rules, as well as on IBM's monopolistic practices. We have come to the point when the major problem the European countries face is that of unemployment and economic growth and deciding what can be done within the Community to deal with the crisis. We reached the stage where scientific, technological and social changes of historical dimensions require urgent decisions on industrial policy, the creation of skilled employment, on appropriate vocational training, as well as the maintenance of jobs in the so-called traditional sectors.

We have reached the point where the essential issues at stake call for constructive reflexion on the specific role of the Community. We therefore regard it as very damaging that the Community and its Member States should have reached this deadlock.

This morning, it was said the warning bells had begun to ring. It is, indeed, the knell of austerity policies which has rung. This deadlock — as the Greek Prime Minister Mr Papandreou very rightly said — is linked with the economic crisis, the socially inequitable unemployment policy which the European countries have been pursuing for years. But, nevertheless, this deadlock has one thing in its favour — though not what Mr Møller mentioned earlier — which is that of deciding where the responsibilities lie. One must be realistic: from the start, a certain behaviour and political will has led us to this impasse. We do not accept that certain countries — I am referring particularly to

Great Britain, but also to Germany — should be in a position to block negotiations by making totally unacceptable demands.

The undisguised determination to call into question the common agricultural policy by suddenly reducing agricultural expenditure as well as persistent violation of Community rules, particularly with regard to the Community's agricultural import preferences has suited American policies but led us to failure. The United Kingdom's determination which — and I also disagree with Lady Elles on this — cannot simply be explained away as 'feminine' behaviour on the part of the Prime Minister, the determination to obtain by a book-keeping approach large refunds on its contributions, is based on a so-called 'fair return' argument which we regard as totally incompatible with the aim of cooperation in Europe. But it is true that we are thus paying for the 1980 commitments, entered into by Mr Giscard d'Estaing, and which have already cost Europe 1.4 billion francs. We are also paying for the creation of the famous monetary compensatory amounts which have proved to be equally harmful.

Briefly, Germany's refusal to dismantle the compensatory amounts, the refusal of Great Britain and Germany to impose a tax on vegetable oils and fats imports from the United States have led inexorably to this impasse.

Under these conditions, we welcome the firm attitude France has adopted in the face of this point blank refusal and retrogression which — and this at least is one positive aspect of the affair — failed to attain their dangerous ends. We believe that there must be in Europe a genuine will to progress, but not at any cost. The will, for example, to structure the Community budget with a view to preparing for enlargement — to which we are still opposed — and to subsidize the financial consequences of industrial dismantlement could only lead to further deadlocks. We welcome furthermore the fact that no decision was taken on enlargement. It is significant that as we sit here today the voice of the farmers has made itself heard in the European Parliament, with a great deal of force and determination. We shall have to reckon with the voice and the unity of the agricultural movement, when deciding on the future of Europe. We therefore welcome the fact that the interests of the farmers were defended at the Athens Summit, and we believe that we must now seek new paths particularly through genuine European cooperation.

Financial resources are lacking? Well then, we must impose taxes on imports of substitute products, respect Community rules, impose tax on exports of capital. The means can be found, and there are new resources. It is necessary from today to take into account the proposals concerning in particular industrial cooperation and the reinforcement of the common trade policy.

De March

In conclusion, taking into account the aggravation of the current monetary crisis, it would be desirable to strengthen the role of the ECU within the European Monetary System, and also in dealings with third countries.

Of course, such proposals are not easy to put into practice, but it is what we should be discussing in Europe today for the benefit of each of the Member States of the Community. I would also like to express our disappointment at the fact that because of its failure, the European Council refused to give a commitment to peace and disarmament in the world. The increase in tension and the installation of the Pershing missiles and the problem of peace in the Near East inevitably give cause for concern. But we are conscious of the complexity of the situation in that region and we applaud the efforts undertaken by Greece and France to promote these negotiations. We hope that the Council, its Presidency and the Foreign Ministers will undertake immediately positive and effective measures in favour of a global political solution which would bring about a return to a united sovereign Lebanon, based on the implementation of ONU decisions and the attainment of the Palestinian people's national rights, with all that this implies, that is, a Palestinian State.

This, Mr President, is what I wanted to stress in this important debate on behalf of French Members of the Communist and Allies Group.

Mr Fellermaier (S). — *(DE)* Mr President, may I merely ask whether a member of the Commission will have to fly in from Brussels by special plane or whether the corridors of this House are so tortuous that a Commissioner is unable to find his way to the Chamber in the space of two speeches that are being made. With this question I want to reiterate my view that this shows disrespect to the House. The Commission should follow the example of the Greek President of the Council.

(Applause)

President. — Mr Fellermaier, Mr Ortoli will be here in a moment. However in defence of the Commission as a whole I should like to point out that ten or eleven Commissioners are frequently present during Question Time but not even ten or eleven Members.

Here is Mr Ortoli now. The problem, therefore, no longer exists. Commissioner, you have just heard that problems have arisen because of the absence of the Commission. That is now no longer the case.

Mr Haagerup (L). — *(DA)* Mr President, I join in deploring the fact that none of the Commissioners have so far been present to listen to my colleagues' pearls of wisdom. I hope I am not rubbing salt into the wound when I say that what I have to say is not

actually for the Commission's ears but is intended exclusively for the Greek Presidency.

When, at the end of each presidency, we have to hand out brickbats and bouquets to the departing presidency, we do so because in the European Parliament we like to draw attention to the positive things which can be said about the European contribution we consider to have been made by the presidency during the preceding six months. At the same time we like to deal out brickbats if we consider that the country which has held the presidency has not made a resolute, energetic and constructive contribution to the strengthening of European cooperation which the great majority of Members of the European Parliament desire in spite of our many party political differences. To this extent it is meaningful for us to make such appraisals after each six-month period, and this means in effect that over five years we get through the entire line-up. All 10 Member States get the presidency, and we can say something about them all. I do not think that what is said should necessarily only refer to what is in the past but should also serve hopefully as an inspiration to the incoming holder of the office, when we draw attention to what we have been particularly pleased with in the preceding presidency and what we have found lacking.

I should like to say of the Greek Presidency that, when my group lays emphasis on the role of the presidency and is basically in favour of this really quite frequent change every six months, it is because we still hope that the country holding the presidency will actually take the trouble to push its national interests into the background and give precedence to a common position for all 10 Member States. We feel that it is the special duty of a presidency to seek to bring about the necessary unity both on Community affairs as such, in which, despite the rules in the Treaty of Rome on voting, we nevertheless prefer to act on the basis of unanimity, and on political cooperation, in which it is necessary — and I know the Greek President of the Council and of the political cooperation system has said this himself on several occasions — to achieve unanimity among all 10 countries in order that a common position can emerge.

I do not wish at this point, at the conclusion of the Greek Presidency, to suggest that Greece has been much worse or better than many other Member States. The President of the Council will remember that we have on occasions exchanged some rather heated remarks, when it was our feeling that the Greek Presidency perhaps leaned a little too far towards specifically Greek points of view and attached too little importance to a common position for the Ten as a whole. We saw this in connection with the shooting down of the Korean airliner, and we were also not too happy with the attempt of the Greek Government to use the political cooperation machinery to alter a decision on medium-range missiles which had been taken in

Haagerup

another context within a different circle of nations, namely the North Atlantic Alliance. But we have said this already. We have otherwise noted that the Greek Prime Minister and the Greek Foreign Minister have shown a positive interest in European cooperation, both within the Community framework and through the political cooperation machinery. I do not think I am going too far in saying that we perhaps noted a stronger emphasis on the part of the Greek Government on European interests in the latter part of the presidency than in the earlier part of the period. At all events it is something positive which can be said at the close of the Greek Presidency, since in no way do we suggest that it was the fault of Greece in particular that the Athens Summit turned out the way it did. It was, as many have pointed out and as Commission President Thorn has said, a collective fiasco that took place in Athens. We therefore feel relatively encouraged by the confidence that shone through both the speech of Prime Minister Papandreou and the wide-ranging account we have just heard from the President-in-Office of the Council, the Greek Foreign Minister. We regard it as a good sign that the Greek Government has been and continues to be conscious of its responsibility as a Member State of the Community, and we are sure that that spirit will pass on into the next presidential period, in which we look forward in anticipation to an energetic and constructive contribution from the French Presidency.

Mr Nyborg (DEP). — *(DA)* Mr President, to begin with I should like to say that I fully support what was said a moment ago by Mr Poul Møller. Otherwise, I note that everybody talks of the fiasco in Athens. I do not think it was a 100% fiasco. There was something positive in the lack of results. I find it a positive outcome that the Summit failed to destroy the agricultural policy for which and on the basis of which we have worked for so many years in the Community. I also consider it a positive outcome that we have obtained the clarification and clear definition of some differences in the national views of what is to happen here, now and in the future.

But speaking personally I see a positive view of the Community and the continued development of cooperation. It is to grow and develop. Perhaps not in quantity right now, but at least in quality. We are in difficulties at present. All right, but we are not in the midst of disaster. The European Community is a young means of cooperation in its present form, and there is room in my opinion for patience and forbearance; we should not start tearing down bridges.

If we look at the situation in its historical perspective, if we think back a generation, I would say, as a Danish newspaper put it: if the heads of State and government of the major European powers had then parted in anger after a showdown over national interests, Europe would have shaken to its foundations. But we have not shaken to our foundations because

the Athens Summit did not produce any results. We live in different times now — and Heaven be thanked for that. We had of course all hoped that something good and positive would come of the Athens Summit, but it was an almost hopeless task for the Greek Presidency to take on all those problems left over from Stuttgart.

There is a clear precondition for the future course of developments. It is the Treaty of Rome which we take as a basis. Those are the terms on which we joined the Community and the rules embodied in the Treaty are still in effect. They cannot and must not be tampered with. We must see that the farmers in the Community are assured of a reasonable growth in incomes. It must be stressed that the agricultural policy is a common policy. We should not want to see the ground being prepared for increased nationalization in this area. The preservation and development of the common agricultural policy is an objective of Community cooperation and we also hope that the fisheries policy is given a decent chance. I think it is utter madness that we should sit here in the middle of December talking about quotas for 1983. It is laughable. It is also an impediment to negotiations with third countries.

We must recognize that industry is playing an increasingly important role in all countries, and it must be welcomed with satisfaction that progress is taking place in this sector within the Community. France, which now has the presidency has taken a lead with a number of ideas on technological cooperation, and it will be interesting to see how things will work out in practice. I have on several occasions stressed the value of developing the European home market. We are now making our appraisal of yet another presidency which assigned high priority to the development of the home market, without any serious breakthrough having been achieved. But that is not the fault of the Greek Presidency. It is the lack of political will in all the Member States. It is this bandying about of fine-sounding but empty words, when we need practical solutions.

I have on past occasions hit out in particular at the British attitude to European cooperation — or the lack of it — and it is tempting to do so again. In Denmark we have long been brought up to think that everything British is good. A British gentleman is something quite special, fair play and other virtues have been rightly highlighted. With such a ballast I think I can allow myself to criticize that Great Britain which in recent years has shown a marked lack of Community feeling.

Finally, a few words on the planned extension of the Community. Let us put our house in order before going any further. It can hardly be put any more simply. Along with Greece's accession to the Community, we acquired a whole series of problems which have still not all been settled, and indeed the pangs of the triplet birth in 1973 have not yet died away.

Nyborg

We have problems that need to be solved. The Community must continue to develop qualitatively and, as far as possible, quantitatively. It costs money, and we must find ways of making it available. We must have more control over expenditure. In all countries, savings are being made in public expenditure; tighter control is also necessary in the Community. The common agricultural policy should be conducted on the basis of the rules embodied in the Treaty of Rome, with a watchful eye to the expenditure side. We do not have the resources for another scandal of the olive oil type. An expansion of the Community home market is a prerequisite for the development of a competitive industry within the European Community. The repayments to certain Member States are a problem which has taken up a great deal of time. In view of the relatively small amounts of money involved when compared, for example, with the total public budget of Great Britain, it has taken up far too much time and far too much of our energy. But I am optimistic with regard to our common interests in the development and improvement of the Community.

IN THE CHAIR : MR MØLLER

Vice-President

Mr Eisma (NI).— *(NL)* Mr President, the failure of this summit meeting is no reason for us to adopt a defeatist attitude. It is right to call the situation in the Community since 7 December a fundamental crisis, a fiasco, a failure and so on, but that will not get us anywhere. Nor is there any point in parliamentarians making their next mandate dependent on the outcome of this summit meeting. If prominent Members of Parliament do so, they may even seriously jeopardize Parliament's credibility.

Mr President, the statements by the Greek Presidency and the Commission appealed to us. They have made a correct analysis of what went wrong. What is needed now is a special commitment to find solutions to the problems. The experience they gained while preparing the Athens Summit must persuade the Council and Commission to pursue a different course. The procedure involving the special Councils in the post-Stuttgart operation resulted in the initiative being left too much with the Council and not enough with the Commission, and I am therefore very pleased to see the Commission's representative is now present to listen to our criticisms about the last six months. National interests have been given priority over this procedure, minimal results are consequently being achieved, and this has led to the Heads of Government again having to concern themselves with minor, soporific proposals. The Greek President and the President of the Commission obviously agree on this, if I understood them correctly this morning, and we therefore expect them to draw the logical conclusion and discontinue the special Councils.

Mr President, as I have already said, it must again be for the Commission to take the initiative. The Commission has also made mistakes in the last six months, because it was very late in coming forward with new proposals for the distribution of resources; they were not submitted until November. And what is more, the two British members of the Commission immediately dissociated themselves from this Commission proposal. That certainly does nothing to improve the Commission's credibility.

We believe that before the end of the year the Commission must draw up proposals on the basis of the progress that appears to have been made in Athens after all, and then in January or February the various Councils must meet to make the technical preparations on the basis of these daring Commission proposals. If the reaction to these proposals again leaves a great deal to be desired, we can well imagine that the Commission will want to resign.

Mr President, to conclude, we want an interim meeting of the European Council at the end of February, we want it better prepared and we want it to take final decisions. A resolute approach of this kind will keep the kettle on the boil and prevent a situation in which decisions are postponed from one summit meeting to the next, and decisions, Mr President, are what Europe needs very badly at the moment.

Mrs Van den Heuvel (S). — *(NL)* Mr President, we have gradually become accustomed, at the end of a Presidency and with the memory of a European Council meeting still fresh in our minds, to having to express disappointment.

This time we have an exception to the rule, but not, unfortunately, because the results have been better. On the contrary. But disappointment has now given way to bewilderment. The only difference from past occasions is that now the Presidency is at least not standing before us referring to various apparent successes but, I am glad to say, openly admitting that the summit meeting was an absolute failure. As the chairman of my group said this morning, the Greek Presidency is certainly not to blame for the failure of Athens.

Stuttgart left a number of virtually insoluble problems and, despite this unwelcome legacy, the Greek Presidency has been energetic and inventive in its attempts to overcome the impasse. It just happens that nothing can be achieved at European level when Member States can only think of their own short-term interests. I say short-term interests because those who persist in doing sums on net contributions do not want to see what effect the failure of the Community can have on their economies in the long term.

Perhaps, Mr President, this is not surprising when all most governments can think of is making savage cuts, without a thought for the social consequences of their policies.

Van den Heuvel

By coming forward with various proposals on major aspects of policy, the Commission has made its contribution to finding a possible solution to the problems. On behalf of my group I can say that I welcome these proposals. But I must ask straight away whether the Commission has made adequate use of these proposals. The chairman of my group said this morning that it had not, that the Commission had been weak in this respect. I agree with him. Neither during the preparations for the meeting of the European Council in the various special Councils nor during the meeting itself did the Commission play the role which the Treaties indicate it should play. To make it absolutely clear, I will say once again that the Heads of State or Government of the Member States are primarily to blame for the failure of the Athens summit meeting. That my thoughts should turn in this connection to the one woman amongst them, I do not find agreeable: I am very sorry that I should feel this way.

No, it is in such unsuccessful company that the Commission, the outstanding Community organ, must do its duty. And it rather seems — this is the only conclusion I can draw from the statement the Commission issued after the Athens meeting, and Mr Thorn did not really say anything different this morning — as if the Commissioners now want to hide behind formal arguments. What they are roughly saying now is that, if we revert to normal Councils, with the Commission playing the role defined in the Treaty, decision-making during meetings of the Council of Ministers and perhaps even the European Council will improve. If only it could be so simple, Mr President. The Commission surely knows better than anyone that even during meetings of the normal Councils decision-making has come to a standstill because of the notorious lack of political will. I sometimes ask myself how much political experience the Commissioners really have. Anyone with any political background must surely realize that a body such as the Commission rarely derives its influence from formal powers and that political strength stems from the authority it has. When I consider how the Commission has acted, I see little sign of this political strength. We have heard fine words, before Stuttgart, after Stuttgart, before Athens and after Athens. There was talk of an absolute minimum before Stuttgart and the Commission's right to receive an answer to its proposals, and during the debate on the Stuttgart summit meeting I said that, although the Commission showed its teeth, it did very little biting.

Nor did the Commission do any biting during the meetings of the Social Councils, when one proposal after another was put on the table by the various Member States, or when the representatives of the Member States willingly and knowingly jeopardized the continued existence of the Community. Is it then any wonder, Mr President, that in a situation such as this we should look back wistfully to the times of Hall-

stein and Mansholt, who knew how to force hesitant and unwilling Councils to take decisions?

And when we study the Commission's statements, we wonder how it will go about returning to normal Councils. That is something I do not really understand. I should therefore like to ask the Commission specifically how it intends to tackle this question. Is it thinking of adopting a precise timetable which sets out when the decisions on the various points must be taken? If so, it will have to stick to its guns, Mr President, because we cannot leave Europe's fate in the hands of those who only wish to protect their own interests in the short term.

There is no alternative to Europe, and as candidates for a future European Parliament we must make that clear during the forthcoming election campaign. But it is up to the Commission and the Council to enable us to face the electors of Europe with this message.

Mr Gerokostopoulos (PPE). — (GR) Mr President, Mr President-in-Office of the Council of Ministers, ladies and gentlemen, I beg you to accept my prior assurance that in this speech on behalf of the Group of the European People's Party I shall try to be as objective as possible. The speeches by the Presidents of the two Councils, and observation of the performance of the Greek Presidency during the term which is coming to an end, permit of the following general comments. There is no disputing the fact that the Greek Government assumed the office of the presidency for the first time in circumstances critical to the future of the Community. It is also certain that the assumption of the presidency, an important and estimable role, came as a consequence of our country's accession to the Community, an event wholly attributable to the efforts of the New Democracy Party and against which the present governing party fought when in opposition at that time. It must also be confessed that the Stuttgart Summit, which gave rise to some hopes, passed on a crushingly burdensome inheritance to the Greek Presidency in the shape of the existing thorny and explosive problems on which other appointed speakers have spoken to you at length.

Mr President, when the President of the Council of Ministers expounded the programme of the incoming Presidency in this Chamber last July he made numerous promises and likewise created hopes and expectations. Despite our good intentions we are obliged to say that the hopes and expectations voiced by all sides at that time have in the main proved false. Not, certainly, because efforts have not been made — though only on the technical and organizational side of things — or because certain constructive proposals on the economic sector were not put forward in the final stages especially, — in fact they were — but possibly because to the objective obstacles which faced the Greek Presidency there has to be added the

Gerokostopoulos

fact that the manner in which it has exercised the office has betrayed only slight enthusiasm for, and scant faith in, the Community concept and the ideal of a united Europe. This showed up clearly in today's statements by the President of the European Council and the President of the Council of Ministers. In their statements they were unable or, in all likelihood, unwilling, to refer to what we all believe in, to the article of faith of all those who have cherished and followed up the wider political visions of the great European statesmen who founded the European Community. As an additional psychological burden it would be possible to mention that during the six months, views have been expressed and actions taken — certain of them outside the narrow confines of the Presidency, of course — which have done little to aid the cause of political cooperation and the achievement of European cohesion. Mr President, we are obliged by good faith to acknowledge that the Greek Presidency must not be construed as the sole party responsible for the disappointing outcome of the Athens Summit. The responsibility lies with the Ten as a whole and, perhaps, in part, as the previous speaker has said, with the Commission. The fiasco occurred as the natural consequence of a lingering feebleness brought on mainly by the lack of a general Community spirit, the absence of political will and the tendency of the heads of government to take up positions dictated by, and dependent upon, narrow national expediencies. In such circumstances, notwithstanding the successive Council meetings, special and otherwise, which took place, and the compromise proposals which followed one another thick and fast, how could an effective cure possibly have been administered?

Mr President, to add bones to these comments I wish to make a few remarks about the most recent meetings of the European Council. About Stuttgart it was said that a start had been made. But, leaving aside the lame proclamation on European Union, there was, in reality, a state of deadlock. An effort was made to keep up the excuses and to conceal the absence of political will. There was recourse once again to the familiar vocabulary of events. One could say, exaggerating of course, that the heads of government of the Member States sought to overcome the obstacles in their path by exorcizing the crisis by means of the familiar and well-established family photograph.

Athens followed. Here the scene changed, influenced, perhaps, by the historical nature of the place, or by the sight of the Doric columns of the Parthenon. The affected self-confidence of those attending the conference was shaken, there was an end to beating about the bush and the failure to find common ground was admitted without further ado. Under the circumstances one could well arrive at many suppositions. Perhaps the change which occurred in Athens is in reality a significant step forward, or even, for the optimists, a real success. Perhaps it is only now, after

discarding the illusions of non-existent accord, ramshackle compromises and decisions with no heed of the morrow, that we find ourselves at the real and proper starting place. Does not the fact that the Ten, being prisoners of their own conflicting stands, decided to stay silent for once in itself constitute a happy omen for the future?

Mr President, I believe that the unanimous view expressed in this House today that the failure of one European Council meeting does not necessarily mean the failure of the Community, and much less the failure of a process which has begun to make our continent strong and prosperous, is especially noteworthy, and in my opinion we must transmit this confidence to our peoples who are justifiably uncertain and anxious about the future. The citizens of Europe have become aware, not only of the fact that the continent is not as prosperous and powerful as it used to be, but also that its peace and freedom are under the shadow of a deadly threat. As the President of the European Council said this morning, the Greek public has not ceased to believe in the Community and in Europe. It is just that the sterile economic in-fighting and the inability to get to grips with the really major problems, the stigma of unemployment — the most tragic of all — to mention just one of them, have begun to shake its confidence.

Mr President, we should see it as our mission to give our peoples enlightenment, to explain to them what sort of Europe we are striving for. Who then will fail to be persuaded that the maintenance of peace, a position of influence on the world stage and the achievement of prosperity are things which can only be guaranteed by a Europe that is united, true to its original objectives and determined to persevere with the task that has begun?

I join with all my colleagues in the European People's Party, and in the other political groups as well, Mr President, in proclaiming confidence in the future and faith in a people's Europe, and in formally asserting, loud and clear, that we shall not give up fighting with all our strength for this Europe of our dreams, a Europe united politically and economically, a Europe at peace.

(Applause)

Sir Fred Catherwood (ED). — Mr President, we have got to be frank about what has gone wrong in Athens. We do have to place the blame, because if we do not find out what has gone wrong, how can we ever put it right?

There are 13 million unemployed in the Community. If nothing is done, that number will rise by 1 million next year and go on rising. At some point in the long rise in unemployment social stability will crack and European democracy will be at risk. The Athens Summit said nothing about that. Is no one to blame?

Catherwood

The third industrial revolution has begun. Other countries are investing in the future and Europe is being left behind. Our foreign trade is going to go deeper and deeper into deficit. Nothing was said in Athens about that. Is no one to blame for that omission?

For the first time since the nuclear arms race began the disarmament talks have completely collapsed. The process in Geneva has shut down and there is no prospect of it starting again. Nothing was said in Athens about that. Is no one to blame for the fact that that was not on the agenda? Do we simply sit back while the missiles pile up?

There is another black cloud, the debt crisis, which despite all the efforts of all the major countries, may still break at any time, leaving huge developing countries without any foreign reserves and bankrupting our own financial institutions. Nothing was said in Athens about that. Do they not care about that either? The system of free trade which has produced the largest increase in trade and wealth that the world has ever known is at risk from the rising tide of protectionism on both sides of the Atlantic. Does no one worry about that?

Who does the European Council rely on to put all these matters right if it is not even going to discuss them? Does it rely on President Reagan? Are we waiting until 1985 when there will be another President there? Do we think another Kennedy is going to be born again? Of course not. We have only got to put that question to see how absurd it is. We are 270 million in the Community against America's 230 million. We hope that we will soon be about 330 million to their 230 million. We have a 50% greater share of world trade. So the world should be looking at us and not at them for the reliance. And we should be looking to our own leaders for inspiration as to how all these problems are going to be solved.

Why then do we not look to our leaders? Where is the fault? The fault lies, especially at a time like this, with all these critical problems absolutely unsolved and even undiscussed at Athens, in having a summit to discuss milk production. That devalues leadership. Leadership is precious and should not be wasted. Leaders should do what no one else can do, and there are other people who can discuss milk production. Leadership is not about the percentage points of milk production or the percentage points of monetary compensation amounts. Leaders are there to give vision. They have got to set the agenda and not have the agenda dictated to them by failures elsewhere.

In my ten years in public service I learnt the rule that you do not bring Heads of Government together until you have heads of agreement; until the document is ready to be signed and the ink and pens are on the table. Then they can sign, they can take the credit, and public confidence in leadership is maintained. Despite a veneer of cynicism, people want to believe in leaders, and if there is a failure at the very summit

then the ordinary person believes that there is no possibility of agreement in Europe and that whole idea of the Community is a failure. That is certainly the conclusion of the ordinary citizens that I have talked to around my own home during the last week. They think there is now no future in Europe because the leaders have completely failed and have had a summit without even a communiqué. So if the leaders have failed, where is the future of Europe? They do not believe there is any, because if there had been any, the leaders would have agreed. So the Athens Summit — and we must not minimize this — has done enormous harm to the credibility of the Community where the ordinary citizen is concerned, and that kind of summit must not be repeated. If it is not to be repeated, then we have got to put right what has gone wrong.

Now, I do not think — and not just because I am a Member of this Parliament — that Parliament has gone wrong. What has gone wrong, is that the very clear answers given by substantial majorities in this Parliament to the problem of agricultural surpluses and to the problem of the budget have simply been ignored by the Commission which put forward quite different proposals on which it was itself known to be deeply divided and which did not have our political support. I do not think that would have happened under President Ortoli.

In the Treaty, the Parliament and the Commission are the two deliberative bodies on whose cumulative advice the Council acts. If that cumulative deliberation is short-circuited by ignoring Parliament; if the Commission is overawed by particular interests and tries to put together clever packages because it thinks the conclusions of Parliament do not accommodate the obstructions it may face elsewhere, then it will fail as it has done here, and I would say to the Commission what the great Jewish King said, and he should know, 'Put not your trust in princes'. Base your view on the other deliberative body, the directly-elected European Parliament.

Heads of Government are elected by nations — the nations they govern — and we should not be surprised, as Mr Bangemann appears to be, that they are constrained by their mandate. If they, the Heads of Government, have any lesson to learn, it is that they shall appoint strong Commissions — Commissions who both they and we will respect — and that they should take far more care over their agendas; more care over their definition of national interest. But that above all, they should deal with the problems that only leaders can deal with, the major issues that need a new political consensus — and I have outlined those issues that do need a new political consensus — where they can do what absolutely nobody else can do, and that is, lead from the top. That is what leaders are there for. We can deal with the other things, but they are there to lead from the top. Meantime, we should use our limited powers to carry forward our

Catherwood

own widely agreed solutions since in the absence of agreement by the two other institutions — the Commission and the Council — ours is the only basis on which the Community can be carried forward and the people who elect us given any hope in the future of Europe.

Mr Ephremidis (COM). — *(GR)* Mr President, the view of those of us in the Communist Party of Greece about the Athens Summit differs from what has been said and written. We do agree, of course, that the meeting was a total failure, not to say a fiasco, while asserting that it has served to vindicate our policy of opposing our country's accession to the EEC and, since it is now a member, of recommending its withdrawal.

Naturally, for us, the responsibility for the failure does not lie with the Greek Presidency. It bears responsibility in another respect i.e. for drifting into a Community way of thinking, not the opposite, as Mr Gerokostopoulos has tried to make out. Mr President, the crisis in the Community has many sides to it; the 15 million unemployed, according to official figures, the steadily falling incomes of the workers, and their loss of social rights, the swallowing up of small and medium-size businesses by the monopolies, the smallholders who have to dump their produce and who are being forced to sell up, the less developed countries of the Community which are becoming steadily poorer, the peoples of Europe who are having to live with the worry of nuclear destruction, particularly since the first Cruise and Pershing missiles were deployed on Community soil — these are all part of it.

Nothing new emerged from the Athens Summit in connection with these problems, nothing positive. On the contrary, only omens that things will get worse. We ourselves were under no illusions, since all the previous summits have ended up the same way. We do not agree with the reasons being put forward for yet another summit failure, such as that the EEC is locked into the deep economic recession.

For us the real reasons lie elsewhere. With factors such as the dominance exerted in every country and in the Community as a whole by the predatory monopolies, and the refusal of the reactionary governments, and, regrettably, of the socialist governments of France and Greece as well, to curb their unfettered licence. With the economic and social system in the Community, which by its very nature and make up spawns economic and social crises and uneven growth in each country separately and over the EEC as a whole. With the class system of the countries concerned and their servile acquiescence in Reagan's policy of manic arms escalation, high interest rates and outright competition which is making the economic crisis in the Community more acute. For as long as these reasons remain, Mr President, the crisis

will be insurmountable, and its weight will lie heavily on working people and the less developed countries. For as long as these reasons remain your notion of an alternative type of EEC, of a politically autonomous and economically resurgent Europe, a Europe of the people or workers, is just a vision of utopia.

But you do invoke this utopia and put it about in propaganda. Some of you because you want to lead the peoples of Europe up the garden path yet again, others, in all probability, because you are in a fool's paradise, as is the case, we think, with the Greek Government.

We have no part in the deceit. We harbour no illusions about the harmful experience our people have suffered, and about which the Prime Minister of our country was so eloquent this morning. We are fighting alongside Greek working people to get shot of these damaging consequences here and now and to free our country from this unprofitable partnership.

That, Mr President, is what we believe to be in the interests of the workers of Europe, and not whatever compromise moves against the monopoly interests are being hatched up for the incoming French Presidency as pre-election propaganda.

Mrs Spaak (NI). — *(FR)* Mr President, and Mr President-in-Office of the Council, it seems to me that everything was said and written after the Athens Summit. We were not elected to comment on the past but to learn lessons from it for the future. I shall therefore make a few observations to that effect.

First of all, it should be recalled that with six Member States yesterday, ten today and twelve tomorrow, European construction has been, and probably will always be, faced with major difficulties. The 'empty chair' policy pursued by France lasted six months and I still recall today the dramatic atmosphere which reigned then in the movements and cenacles of Europe. At that time it was a greater trial than the failure of a summit whose meetings are not even provided for by the Treaties.

Today, at a time of crisis, the European Parliament must give proof of its political maturity, recall its fidelity to the Treaties and clearly define its priorities. This implies that the Commission play its role. It must not be satisfied with managing what has already been achieved and which is constantly being eroded; it must use to the full the political strength which its right of initiating gives it. It is not enough to be the guardian of the Treaties if, at the same time, it accepts, in the name of political realism, compromises which serve as a substitution for true Community development. Parliament will only support a dynamic Commission committed to genuine recovery. Mr Thorn's speech this morning was firm, action must follow. Those who voted for us want more Europe, because the development of security can no longer be

Spaak

guaranteed by national action alone. The Council is wrong to think that national opinion is grateful to it for hindering the growth of Europe in the name of defending the interests of each individual Member State. What government was welcomed with approbation and confidence after the Athens Summit?

The Council has two tasks: to act and to maintain the conditions for the political commitment of the ten Member States. But what do we see? An inability to take decisions. The Council no longer knows where it is going. Moreover, it tries to replace a fundamental commitment with a series of compromises where the slightest effort must be compensated for before it can be accepted. It is in this political environment that the June 1984 elections will take place. Parliament, as the legitimate expression of the popular will, should respond to these expectations, by proclaiming these responsibilities, but especially by choosing lucidity with resolution.

Mrs Focke (S). — (DE) Mr President, honourable Members, six months before the second election of the European Parliament the European Council has plunged the Community into its worst crisis since De Gaulle's empty-chair policy. By becoming entangled in calculations of milk quotas and having sunk to the mentality of accountants, the Heads of State or Government meeting in Athens have in fact done the utmost damage to the credibility of the Community in the eyes of its citizens. These Heads of State were worlds away from adopting the position for which the summit conferences were once created. Originally they were designed to ensure that a small circle of people, talking to each other directly, could jointly define common tasks of major scope and jointly seek solutions and put forward policy lines. They were certainly not meant to upset the normal functioning of the Community institutions or even to try to replace them.

The haggling about milk quotas cannot lead anywhere unless it can offer some prospect for the future — for the small farms in the less-favoured regions of this Community, for the steel-workers, for the dockers, for the young school-leavers looking for jobs — and the quarrels about apportioning the money in a budget which is as large as that of the *Land* of North Rhine-Westphalia in the Federal Republic can be settled only if we have a common idea of Europe, which must act as a political force to spread peace in the world.

Europe is indeed standing at a crossroads in these weeks. The cynical merit of the Athens Summit is that it made this clear. Perhaps the open crisis that has broken out will help our Heads of State or Government to understand at last that they are all in the same boat. All the countries of the European Community are facing the same urgent challenges: massive

unemployment, growing poverty in many regions, the radical destruction of our environment, the technological revolution, which must be mastered rather than suffered, the threats to peace of the escalating East-West confrontation and a spiralling arms race that our two superpowers are accelerating all the time. Each individual country may well attach a different importance to some of these challenges for its own part, but no responsible politician can pretend not to be affected or that he could get on better alone than in community. It is this interconnection between the urgent problems of our times that constitutes the overall package of European community and only if we see this interconnection can we create a sense of cohesion and the political will to deal with the ever-growing pile of pending decisions.

The Heads of Government have indeed let the unresolved Community problems pile up — problems of agricultural reform, future financing, the growth of the Funds, formulating a forward-looking industrial and technological policy — and there is still no fixed date for the accession of Spain and Portugal. By taking the power of decision upon themselves, and then postponing the decisions from summit to summit and offering no guidelines, they have also made their ministers unable to act at the ordinary Council meetings. Above all, they disregarded the Commission's proposals in Athens and instead engaged in summit diplomacy; for Athens also failed because the Heads of Government believed their summit could be a substitute for the genuine European institutions. But the biggest mistake of all was to let this Parliament be directly elected but then to ignore it, although since 1979, acting by a majority and regardless of national and party-political differences, it has shown the way to combat agricultural surplus production, remove the imbalances in the budget, distribute the burdens more fairly, ensure the accession of Spain and Portugal — in 1984, we said; now I say it must be by 1 January 1986 — and of course for a greater Community share of VAT revenue, provided the other decisions are taken.

Parliament proved itself able to compromise, although I must say on behalf of my Socialist Group that I often thought it was too late and not enough and found it difficult to accept that these compromises came into being in the way they did; but in the end they did lead to a decision supported by a broad majority in this Parliament. For Parliament is certainly not impotent, especially in budgetary matters. That is why there is a clear link between the failed Athens Summit and the 1984 budget on which we will have to vote the day after tomorrow. That is why this year's budgetary discussions are much more than just business as usual, and I am addressing these words to the Commission too.

That is why the three budgetary conditions set by Parliament in the first reading are not just some technical budgetary adjustments but a sign of our political will. They are: blocking 2 000 million, in order to

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make agricultural reform even more urgent; blocking the money for the UK as a means of finally making felt our will to achieve a lasting financial settlement, and entering DM 3 000 million for a job-effective industry — and technology policy — as a small step at least towards a European social contract.

The conciliation between the Council and Parliament on the 1984 budget will continue this evening. I appeal to the Council to take it seriously and to take a first step towards recovery after the tragedy of Athens. At the same time, let each Head of Government put his own house in order and instruct his ministers to seek and find a compromise, on the basis of the revised Commission proposals and with special regard for the opinions of the European Parliament, at the next ordinary Council meetings.

I challenge the Heads of State or Government to meet next time — far away from the milk lake — in the spirit in which they were originally meant to, in order to reach agreement on the revival of the EC. The French Head of State has a particularly important role to play here. From 14 to 17 June the European electorate will be called to the ballot-boxes again. As Members of the European Parliament we must expect attempts to have been made by then to put order into our European house again.

Mr Pflimlin (PPE). — *(FR)* Mr President-in-Office of the Council, Mr President, ladies and gentlemen, the failure of the Athens Summit came as no surprise to those who followed the evolution of the cabinet debates in the last few months. Nevertheless, we must not underestimate the gravity of this event. Here and there, we hear soothing remarks: I am thinking particularly of Mr Nyborg. The Commission itself, strove to reassure us by stating that it will continue to do its best to insure the functioning of the Community; we do not doubt it. Its President, Mr Gaston Thorn, said this morning that in preparing for the Athens Summit, the regular Community procedures had been departed from. Several governments put forward counter proposals to those of the Commission, — which alone should serve as a basis for Council decisions, — which had nothing to do with the Community's preoccupations. The major error, according to Mr Thorn, was to look to the European Council to solve problems which are the responsibility of the Commission and of the Council of Ministers.

Many of the speakers in this debate regretted this transfer to the European Council, a body not provided for by the Treaties, of responsibilities belonging to the Council of Ministers and the special Councils. Let us go back to the Treaties, let us respect the responsibilities and procedures they down there, they say. But are we altogether sure that this will restore the Community's vigour and effectiveness? I am afraid not. Too often, we have seen the Council of Ministers struck with paralysis. We have said that this paralysis can be

explained, to a large extent, by the habit adopted by the Council of only deciding by majority vote. It is the right of veto resulting from an extreme and questionable interpretation of the Luxembourg Agreement which reduced the decision-making capacity of the Council, sometimes to the point of annihilating it.

During the Revolution in France, the Revolutionaries one day attacked the right to veto, which under the First Constitution, born of the Revolution, was reserved to the King. Of course, it is not a question of starting a revolution, but we are aware that it will be very difficult to abolish the right of veto in the Community. The Draft Treaty on European Unity, drawn up on the basis of the European Parliament's guidelines, only provides for its abolition at the end of a period of transition.

By this example I wish to show that European recovery requires a reform of the institutions and, if new prospects are to be opened up for the Community, a return to the procedures followed before the Stuttgart Summit will not be sufficient. However, merely improving the texts and the procedures will not bring salvation. In order to realize this, we must get at the deeper causes of the failure of the Athens Summit. I shall not be drawn into the game of attributing responsibilities to this or that government rather than this other one, or to the Greek Presidency, which, to my mind, did all it could. In my opinion, all those who attended the Athens Summit have a share in the responsibility. As President Thorn himself said this morning, it is a matter of collective failure.

What was lacking at the Athens Summit was, we all know, a Community spirit. How can we define this spirit? It is not a denial of the national spirit; governments have the right to defend the legitimate national interests they are responsible for.

The Community spirit is a vision maintained by a moral force, which, beyond national interests, even the most legitimate, enables us to perceive the common interests of Europe. To serve this interest is the best way, I am convinced, of serving, at least in the long run, the true interest of each Member State.

Having twice been Finance Minister, I understand the Finance Ministers whose only preoccupation was to maintain Community expenditure at the present modest level: less than 1% — it has been repeated several times — of the gross domestic product of the Member States. If I had been in the place of Mr Delors or Mr Stolenberg, or even the Chancellor of the Exchequer — a very daring hypothesis indeed — I might have reacted in the same way. But, although we have to take into account these financial preoccupations, they must not become the determining factor in European policy, because this would mean that we were giving up all ambition, any idea of recovery, that new policies would be out of the question in the areas of research, development, industrial, energy, transport and regional projects. The Community would be

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reduced to a common market — a defective one, moreover, and one threatened by protectionist tendencies — coupled with a common agricultural policy, itself called into question and threatened.

The urgent need for a revival of Community policy cannot be seriously disputed. I hope the French Presidency will make every effort in this regard and that at least for the more urgent problems, it will come up with solutions which the Athens Summit was unable to find. But let us not deceive ourselves. The ills afflicting the Community cannot be cured simply by implementing a few technical solutions. These ills have a name: it is, I repeat, the weakening of the Community spirit.

If Europe is to get its second wind we need a vigorous reaction on the part of the public opinions. Sometimes evil can generate good. The clear and spectacular failure of the European Summit on the eve of the European elections may have the beneficial effect of enabling the citizens of Europe to state what they want, and governments and national parliaments will have to take this into account.

Our duty, ladies and gentlemen — of course I am speaking to those who are absent more than to those who are present, since I am allowing myself to believe that my voice will reach them through the documents that will be distributed — is to enlighten our peoples over the next few months, not by accusing this or that government, but by passing on the belief common to the majority of this Assembly, irrespective of political differences in other respects, that only European solidarity, the pooling of our energies and resources and resolution will enable us to combat the crisis effectively and to rediscover the path to prosperity; that only a closely united Europe, speaking with one voice, will be capable of assuming the responsibilities which devolve on it in this harsh and dangerous world in which we are condemned to live.

Someone, in connection with the failure of the Athens Summit, quoted a famous passage of French literature, the 'Prière sur l'Acropole', by Ernest Ronan, which ends with this sentence, we all remember, and which speaks about a 'Dieu enseveli dans le linceul de pourpre où dorment les dieux morts.'¹ Europe, ladies and gentlemen, is not dead, except, perhaps — and this is already very serious — in the mind of some of Europeans. It is our duty to resurrect it!

(Applause)

Mr Seligman (ED). — Mr President, the European Community will be regarded by future generations as the guarantee of peace in Europe and as an influence for peace and prosperity in the Third World, but in Athens it faltered. However, as Mr Pflimlin says, it

¹ 'A god interred in the purple winding sheet where the dead gods sleep'.

did not die. There is nothing disastrous about what happened in Athens. It was merely a check, a standstill. The European Council in Athens failed because it was attempting an impossible task. A ridiculously short time of 48 hours is no time for settling these major policies. President Thorn complained that there were too many proposals on the table, but the Commission's own proposals were far too technical and far too long for a summit meeting of two days. The Commission and the Council of Ministers have failed hopelessly to distil the issues on which agreement could be reached in such a short time.

As Lady Elles has said, the Greek Presidency has unfortunately dropped the baton. It must be picked up as soon as possible. Time is the problem. I propose that the Heads of State instruct the Council of Ministers to meet again early in the New Year in permanent session, or at least in protracted session, and that they should not be allowed to adjourn until they have sorted out the plethora of proposals before them and produced at least two or three major policies on which agreement could be reached in solving the budget and agricultural matters.

If they can solve these major problems, the rest will follow. Some people might say — I am being a bit frivolous here — that the Council of Ministers should be put on a boat and kept on that boat and told not to come back until they have solved these problems. I do not see any other way of achieving what we need.

Many British politicians, even Conservatives, cannot understand why the Community needs more resources. Why do we need more money anyway? The answer must be that we need the extra money firstly for enlargement of the Community, to cover the excessive costs of transition, of Spanish and Portuguese accession, and secondly for the EEC to be the spearhead in a drive for investment in industry and energy. This is absolutely necessary for economic revival, as stated in the Albert and Ball report.

If we do nothing, agriculture will take an ever larger share of a static budget. No money will be available for investment. So anyone who believes that a united Europe is the only guarantee for peace and prosperity for future generations will understand the necessity for increased resources for joint investment in the economic revival and growth.

However, it is impossible to envisage an increase in own resources unless and until the cost of the Community is shared fairly. As Lady Elles said, this is not a question of *juste retour*, it is a question of fair shares. Anyone who belongs to a club will know that it is no good just two members paying subscriptions and everyone else paying nothing. That is the problem which must be solved, and I suggest that the Council of Ministers, as I say, is put into permanent session until they solve this problem.

Mr Kyrkos (COM). — *(GR)* Mr President, the Athens summit highlighted the deep crisis facing the Community. The problems had been laid on the line in Stuttgart and, as everyone has acknowledged, the Greek Presidency made a positive go of trying to find compromise solutions. The failure in Athens cannot, therefore, be laid at its door, and it was not the result of economic deadlock. The crisis in Europe is above all else a crisis of direction.

Ladies and gentlemen, the Community is a hostage to fortune because it is caught up in a most acute contradiction, Europe looks for support and security to its greatest economic and trading competitor, the United States. Despite the intense opposition manifested by its peoples it takes orders from America and deploys Pershing and Cruise missiles on its territory at a time when the United States is seizing its markets one after another and, with the war it is waging on interest rates, draining the Community of the capital which could provide the investment for European economic recovery. Even Mrs Thatcher felt obliged a couple of days ago to denounce this policy openly in the British Parliament.

Europe has no chance of getting over its crisis unless it can extricate itself from this contradiction. Now we can see the true worth of the Greek Government's proposal for a six-months extension of the Geneva talks which would have given an opportunity for a positive outcome involving the withdrawal and destruction of all the missiles sited on European soil, both East and West. The governments and the right wing majority in the European Parliament fought stubbornly against this excellent proposal which was associated with the name of Mr Charalambopoulos, the Greek Foreign Minister, who put it forward in his letter. But they did not save the peace in Europe. What they did was to make the Community a captive of the United States, a sort of hostage to fortune like those whom the Nazis put in the front wagons of their trains so that they would take the brunt and be blown up first by the resistance saboteurs. Seldom have those in power shown such short-sightedness, transfixed by their fear of social developments and the demand of the peoples of Europe to be masters of their own fate.

For Europe, therefore, the solution must be sought in peaceful detachment from both the United States and the Soviet Union. So long as astronomical sums are squandered on arms there will be no money for industrial recovery and new technology. We need the huge markets of the East for our agricultural and manufactured products, and these markets will not open up while we persist in heightening East-West tension with unbridled recklessness. Taken separately the Member States do not have the capacity to meet the challenge of the crisis and the technological revolution, so we have got to promote European integration

to stop Europe ending up as a backward region. In short we need another policy, not the dissolution of the Community, because this would lead to even greater decline and foreign reliance for each of its member countries, but a democratic renewal of the Community, a policy able to reply on the backing of all political forces, communists, socialists, social democrats, radical democrats, enlightened conservatives.

This is the message we can take from the failure in Athens, and that is what we ourselves have to add to the debate today to which the speech of Prime Minister Papandreou brought the robust outlook of a small country with its eyes set on the great horizons of our times.

Mr Pasmazoglou (NI) — *(GR)* Mr President, ladies and gentlemen, the failure of the recent European Council meeting can bear positive fruit if it motivates the European governments to match up to their people's interests, to the common interest of all our peoples, the unity of Europe. Instead of being effective meetings of leaders the meetings of the Prime Ministers have degenerated into bargaining sessions which lead to deadlock and slow down the march towards a united Europe.

The failure of the latest summit conference has already severely worsened the economic climate in Europe. It has set back investment and European recovery and is thus weakening the fight against unemployment and inflation. Already it has given heart to the opponents of a united Europe, a Europe which will guarantee independence, progress and peace, and has provoked doubts about Europe's capacity to influence world developments. Who gets any benefit out of this, Mr President? Has any government in the Ten got anything positive out of this development for its people? Europe is an objective, organic and compelling reality. Solutions are ready for the interlocking economic problems which exist. They have taken shape in the resolutions of the European Parliament and been proposed by the Commission, and were put forward by the competent Greek Ministers at the summit meeting last week.

The issues appear technical, but in essence the solutions are political, and up until now the European governments have neglected their duty with frequent boundless and ill-judged persistence on narrow national demands, and have thus failed to see that each of them is harming its own people. I am compelled at this point to express objections about the negative approach of the government of my own country to European political cooperation. I do not mean, of course, the ongoing handling of day to day matters, but rather the deeper political convergence of the Ten on the major international issues. This convergence would form both the basis and the impulse for a joint approach to matters of national importance

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affecting each of our peoples and for the establishment of a policy to strengthen Mediterranean Europe and cut down on the inequalities which exist in the European Community area.

Following the failure of the summit conference, the failure of the governments that is, the European Parliament has a duty to give expression to the interest and will of our peoples. There is an urgent need to reform and strengthen the institutions, activities and procedures of the Community, and to build up a politically united Europe. This is a national command by all of our peoples, and is therefore essential that a spirit of responsibility and an understanding of the importance and mission of Europe as regards our people's survival and independence should come to bear as quickly as possible in the months ahead.

I feel certain, that our Parliament will transmit this message to our peoples and the whole world with an overwhelming majority.

Mr Jaquet (S). — *(FR)* Mr President, ladies and gentlemen, Europe is again in crisis. But, this is a crisis which could have been foreseen. For months now warning has followed warning, compromise has followed compromise and immediately after each crisis the Community finds itself facing with just a little more bewilderment an even more uncertain future.

Why are we in this state 30 years after the foundation of the first European Community, the Iron and Steel Community, and 26 years after the creation of the common market? Were not our ambitions clearly affirmed at the very beginning? We wished to create a Community of States which were determined to strengthen their solidarity at political and economic level and prepared to devote part of their resources to establishing common policies or, at very least, to carrying out joint action in the essential areas of common interest. Today we are clearly very far from achieving this goal.

Apart from the agricultural policy, which contains imperfections but which actually exists, and our undoubtedly inadequate but nonetheless effective action on behalf of the people of the Third World, no serious policy has been drawn up during the last 26 years. This lack of European action is the ultimate cause of the current crisis. The Community was set up to enable our peoples to overcome gradually national egoism, but because of the all too often derisory results which have been achieved this egoism is still with us. Today, after beating about the bush for so long one thing is clear: the inability to find lasting solutions to the current problem affecting the life of the Community has finally led to the upheaval of the last few days.

Despite the praiseworthy efforts of the Greek Presidency Athens was a failure. However, is not a clear cut

crisis which enables us to state the problems clearly preferable to a bad compromise which hides the seriousness of the situation and gives a certain degree of reassurance to those we believe they have a clear conscience? It has often been said in times of difficulty — and they have been frequent in the life of the Community — that we have arrived at a turning point. Despite their dramatic nature this was clearly not true in the case of certain crises, but today hesitation is no longer possible. This is the moment of truth and we have to choose. If the current difficulty produces some kind of make-believe inspired by the wish to find an easy way out and by a defeatist spirit, we shall not be able to prevent the structure of Europe from being further weakened, and what today is still nothing more than a slightly improved customs union runs the grave risk of simply becoming a free trade zone.

We must not allow ourselves to be motivated by defeatism. What is needed is the determination to bring about a recovery. I am convinced that the French Presidency will have this determination during the next six months.

At the end of the summit, the President of the French Republic stated that we should make the best of the crisis. He went on to say that he hoped that it would lead to political determination with regard to all those aspects which give a profound historical significance to the undertaking.

This in fact is the way the problem should be posed. The recovery must be general since all of the items on the agenda of the recent summit are closely interrelated: new policies, particularly in the industrial and technical spheres and with regard to employment; revision of the agricultural policy, on condition that it still meets the three principles on the basis of which it was set up: unity of the market, Community preference and financial solidarity; the details to be added to the conditions for enlargement; settlement of the British contribution in a Community spirit and not by applying the rule of a 'juste retour'; finally, increase of own resources by abandoning the 1% VAT ceiling.

These are the problems we have to solve, but the success of this undertaking requires real political will. All the governments of the Community will henceforth have very little room to manoeuvre. They realize the importance of what is at stake. At this time of crisis they must realize that the interest of each one individually depends on greater European solidarity.

This is what Parliament must affirm unequivocally, and I hope that it will be heeded by all.

Mr Penders (PPE). — *(NL)* Mr President, the failure in Athens has two incidental advantages. Firstly, no one person is clearly to blame. The next summit does not therefore need to become a tribunal. And secondly, there is now no disguising the failure, no

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calendar, timetable, framework for consultation or anything of that kind. The Community has simply fallen flat on its face.

What now? Carry on as usual, Mr President. Patiently broach the familiar problems again, the reform of the common agricultural policy, the question of the advantages and disadvantages of membership, a new policy and an increase in own resources. But better use must then be made of the trusty institutions for which the Treaties provide, the Commission and the normal Council. No more raising expectations about a forthcoming European Council meeting, inevitably followed by a deep and humiliating slump. And we must also get out of the habit of staring fixedly at the budget, which is relatively small: 65 000 m Dutch guilders.

The Netherlands' budget alone amounts to 170 000 m. Of course, the Dutch Government does have things to do that the Commission does not, but even so. And let us not forget either that the Netherlands is a small Member State. I would not even begin to compare the budget of the Federal Republic or the United Kingdom or the French Republic with the Community budget. But, Mr President, the Community is more than a budget: it is above all an enormous market, and we should be thinking more about that: improving and completing the market.

We must also bear in mind, Mr President, that the disintegration of the Community would hasten the disintegration that is emerging in Europe over the question of security. I would remind you of trends in the SPD, of statements made by Mr Brandt and Mr Bahr. I would also remind you of the latest congress of the European Liberals, which German Liberals said represented an attempt to set up a separate European security structure, partly to 'help' reunify Germany. These are dangerous developments.

The third kind of disintegration of which we must beware is West-West disintegration. European protectionism is prompting American countermeasures. And the complications in the field of security as regards intermediate-range missiles is causing confusion in the United States, because this would be the second time — the first time, it was because of the neutron bomb — that Europe had subsequently caused difficulties regarding a weapon for which it itself had initially asked. And that is asking for trouble.

It is always a good idea, Mr President, when any political difficulty arises, to have in your mind as clear a picture of what is actually involved. And then you see Sir Geoffrey Howe, Mr Genscher, Mr Cheysson, Mr Andreotti, Mr Tindemans and Mr Van den Broek sitting down together in Athens. They have their Community hats on and cannot agree. Two days later they meet again at NATO in Brussels wearing their NATO hats. Is it then really logical and reasonable to claim that this change of hats created a completely a

different situation? Of course not, Mr President. This kind of thing leaves its mark: one area of policy influences another, disintegration in one area encourages disintegration in another. And while I fully appreciate the need for Europe to have a security profile of its own, it cannot do without Washington.

Mr President, a few words about the Commission. Could it have reacted differently? It has now issued a rather pallid, non-committal statement. Would it have helped the European cause for the members of the Commission to resign? What truth is there in the rumours that the Commission was seriously thinking of resigning? There are even rumours that the voting was seven to seven. To be rational, resignation would perhaps not have been wise, but the Commission would certainly have gained the sympathy of the European Parliament and of the public. As we now approach elections, it is, of course, a good thing for political bodies — and I regard the Commission as being a political body in every respect — not to pay too much heed to legal obstacles and bickering. What is needed is a clear political vision and direction. And the Commission must state its opinion when we reach the last phase of the 1984 budget on Thursday.

Finally, Mr President, for the third part of my statement, I should like to turn to the Middle East. There has been some change here. A year ago the Americans arrived to cover the Palestinians' retreat from Beirut. A year ago Washington put pressure on Israel not to drive too hard a bargain over the agreement with Lebanon, and a year ago the Reagan plan was on the table, calling, among other things, for a freeze on new settlements on the West Bank and in the Gaza Strip. And now, with the prospect of elections in November 1984 and after Mr Shamir's and Mr Arens' trip to Washington and the clashes between Syria and America, it seems far more difficult for the United States to play the honest broker in the Middle East.

And yet we must go on, Mr President, and this in three respects. Firstly, Lebanon must again become a sovereign State, which means starting the second phase of the reconciliation conference in Geneva, because it is for the Lebanese themselves to do this, and secondly, in the Palestinian question, attempts must be made to get the Jordanians, Palestinians and Israelis to make contact. King Hussein's visit to Parliament can be used to this end.

The King's visit comes at a crucial time. And I say this not only because we have a delegation from the Knesset here. For the umpteenth time peace in the Middle East is hanging by a thread. In an interview in the United States the King said he was pessimistic. He did not think he had a major role to play. He knew his limitations, but his visit is nonetheless very important for two reasons. Firstly, it is well to remember that, despite the enormous problems in Lebanon, the main issue in the Middle East is still the Palestinian question, and the King has a role to play here.

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Perhaps not straight away, but certainly in the future. And secondly, his visit to the European Parliament must prompt some rethinking about Europe's place and task where the problems in the Middle East are concerned and also about our interests, Europe's interests in that part of the world. Europe too believes that a comprehensive solution in the Middle East must include the settlement of the Palestinian question and guarantees for Israel's security.

And thirdly, there can be no settlement that excludes Syria, because it would simply fail. The adequate and well timed involvement of Syria is necessary if there is to be any prospect of all foreign troops being withdrawn from Lebanon. Syria has legitimate interests in the region, so has Israel, and it would therefore be madness to call for the withdrawal of the multilateral peace-keeping force from Lebanon at this time.

Mr Segre (COM). — *(IT)* Mr President, there is one point in the statement by the President of the Council that is undoubtedly central to all the others, and that is the need for every effort to be made to restore a climate of cooperation and trust in East-West relations. This is obviously, in the first place, a task for governments, but it is one that also concerns, and to no less a degree, the responsibility of the great, political, cultural and social forces.

We Italian communists had seen all the positive potential of the Greek proposal for a six months' moratorium on the installation of missiles. This proposal did not find favour, it must be acknowledged — even whilst we deplore the fact. But the problem remains. We have tried, both here in the European Parliament and in the Chamber of Deputies in Italy, in our debates last month, to see whether there was still any margin — however small — for negotiation. It seemed to us there was, on the basis of an independent sign or gesture of goodwill from both sides, whereby the West would slow down the installation and operational readiness of the Pershing and Cruise missiles, and the East would substantially reduce the number of SS-20 missiles already installed.

Through recent visits by Mr Berlinguer — who is the Secretary of our Party, and a member of this Parliament — to Bucharest, East Berlin and Belgrade, and by means of other international contacts, we Italian communists are trying to establish whether there is room for negotiation — and if so, how much room — along the lines that I have briefly described, at a time when both Washington, with the arrival of the new missiles in Europe, and Moscow, with the counter-measures it has already announced, have so-to-speak saved their faces, flexed their muscles, and shown that neither of them will allow themselves to be intimidated or dictated to by the other.

It is undoubtedly possible to put forward other proposals as a basis for negotiation. The important thing, Mr President, is not to resign ourselves to the inevitability

of Washington and Moscow being on an increasingly clear collision course. Europe can still contribute its words of equilibrium and wisdom; it can and must play its part in re-starting the dialogue, just as it can and must work for a general recognition of the terrible seriousness of all the great problems that beset the world today, and for a revival of the conviction that we are all in the same boat and, therefore, either we shall all be saved, or we shall all go down together. These words, which are so necessary, were unfortunately not forthcoming at Athens, because of the failure of that summit. But they are still necessary. I do not know whether, in the coming months, the various governments will continue to prove unable to say them, or whether their awareness will return. In any case, it is clear that the peoples of Europe will have to say them, clearly and forcibly, in next June's election. From the vote of the people it will then be possible for this Europe of ours to resume, along new lines, the process of economic integration and political unity.

(Applause from the Communist and Allies Group)

Mr Schmid (S). — *(DE)* Mr President, ladies and gentlemen, the President-in-Office of the Council has reported on European political cooperation: on what happened or rather, mainly on what did not happen. It is true that in recent years the European States have managed to strengthen their foreign policy influence in the world through the instrument of cooperation in foreign policy. But the progress made is not enough. That is especially clear and obvious in an area which the President of the Council himself described as of special importance, the area of Middle East policy, for much too often this field is left to the superpowers. Before the Athens Summit we heard the grand announcement of a new Middle East policy. For me the European Council is like a motorist who accelerates in neutral without putting his car in gear. There is a dreadful noise, but nothing happens. The situation here is very similar: grand statements, but the issues at stake disappear in the morass of haggling about EEC finances and milch cows. That is not the way to make foreign policy.

In January this Parliament already called for new initiatives for the Community's Middle East policy. In the months that followed, Jordan and the PLO came closer together and sought worldwide support for the idea of a Palestinian-Jordanian Confederation, but the then presidency of the European Community did nothing. Nor does that surprise me. Anyone who can think in this context only of the German-Israeli problem on the one hand and a possible tank deal with Saudi Arabia on the other will not achieve anything in this Community of ours, to speak plainly. That is especially true if the original sin is immediately followed by the adoption of an independent position *vis-à-vis* the United States of America.

Schmid

I know that the Greek Presidency was most concerned with Middle East policy, and it is a pity that nothing was decided in Athens; for the current developments so obviously call for a European Middle East policy. Since the agreements on strategic cooperation between the Israeli Prime Minister and the American President, the United States have finally become useless and lost credibility as mediators in the Middle East. The US has openly taken sides; there can be no two ways about it. Mr Penders of the Christian Democrats referred to this a few minutes ago too. I am assuming that no-one in this House will quarrel with this assessment.

The Arab camp had some doubts about the role of the United States of America in the past too and not without reason the Arab States kept calling for a stronger European commitment. But some important states, such as Saudi Arabia, Jordan and Egypt, would have been and were also prepared to cooperate with the United States of America. Egypt in particular made this clear with the Camp David Agreement.

Looking at the plan to set up a joint American-Israeli working party for close political and military cooperation and even for planning joint military manoeuvres, even the well-disposed observer realizes that as far as the United States is concerned, there is not even a semblance of neutrality. The Arab States reacted accordingly. On 3 December, speaking on Radio Cairo, the Egyptian President described the agreement as an obstacle on the road to peace. He also said the United States should act as arbitrators and not favour one side, King Hussein, who will be coming to this Parliament on Thursday, made a similar statement on Radio Amman on 2 December. Since the King will be coming here, I shall also quote the following statement: 'We regard this agreement as a kind of reward to Israel for rejecting President Reagan's Middle East peace initiative, for its expansionist settlement policy in the occupied areas and for the continued presence of its invasion forces in Southern Lebanon.' The reaction of the Saudi Arabians was similar. In view of all this, we need a coherent European Middle East policy more than ever now, and unfortunately we do not have one.

In conclusion, Mr President, may I make one more remark: the Ten should also adopt a common approach because, as we all know, European States also form part of the multinational peacekeeping force in Lebanon. The 4 December American fighter bomber attack on Syrian anti-aircraft bases 25 km north of Beirut, i.e., far away from the Marines based there, had nothing to do with the self-defence of the peacekeeping force. Here the United States are deliberately escalating the conflict with Syria, well aware that 6 000 Soviet military advisors are operating in that country. It cannot be in our interest to see that

regional conflict being escalated into a direct confrontation between the superpowers. The only power in the world that could prevent this, would be the ten European States speaking with a strong voice. Unfortunately we sacrificed this to the milch cow in Athens.

Mrs Castle (S). — Mr President, what interests me about the Athens Summit is how quickly some of our political leaders have become relaxed about its consequences. After the initial outcry about total failure, about a Community crisis and all the rest of it, we are now beginning to find a very different tone creeping in. There was President Mitterrand emerging from the summit positively chirpy, saying things weren't so bad after all. We have Mrs Thatcher telling the House of Commons in her report: 'I doubt whether the common market will be in real financial difficulties until the autumn'. Then we had Commissioner Tugendhat only yesterday making an absolutely astonishing remark, and I quote: 'The Community can survive and indeed prosper in 1984 within its current resource constraints'.

Now why this change of tone? At Stuttgart in June it was all crisis. Now in December suddenly there is no crisis. I believe the reason is that having worked for six months looking at really detailed proposals for fundamental change, the Member States ran away from them and now they have stopped the clock and they are hoping that by dragging it out over the coming months and muddling through they will eventually get the people of Europe and this Parliament willing to accept a miserable, muddled, compromise package which will not get to the roots of any of the fundamental difficulties of the Community.

I want us to get one thing clear at the outset. The failure to reach agreement on one of those fundamental problems, namely the unfair method of financing the Community, was certainly not the fault of the British Government. Indeed, it was President Mitterrand who offered Mrs Thatcher another *ad hoc* solution for another year or two. And so it would be absolutely intolerable if this Parliament were to vote to put the United Kingdom rebate in Chapter 100 of the budget. I am astonished it has even been suggested. That would be like punishing the victim and not the criminal. I certainly would not vote for any budget which put the UK rebate in Chapter 100. In fact, I believe Mrs Thatcher is being far too modest. Apparently she agreed to a rebate for Britain of 450 million at Stuttgart this year. Yet with the help of Treasury calculations in Britain, it has become clear that Britain's foreign exchange loss last year as a result of Community membership was one and a half billion pounds. It is likely to be more this year. So a rebate of 450 would still leave us 900 million pounds sterling worse off than before we joined. I would just remind Parliament of this. This excessive net payment is on

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top of the fact that Britain has an adverse trade balance with the European Community of over 1 140 million pounds sterling. Whereas Germany who I accept fully is also a big contributor, has a favourable trade balance of 5 000 million pounds, our adverse trade balance is a direct consequence of our joining the Community. So membership for Britain under the present terms has become economically disastrous. This must be faced if there is to be any fundamental reform carried out anywhere. I do hope this Parliament will bury once and for all that silly phrase *juste retour*. 'Oh', they say, 'we don't believe in *juste retour*.' What we are asking for is *juste répartition des charges et des bénéfices*. Surely that is a principle this Community should accept.

I believe it is not enough for Mrs Thatcher to say that she won't agree to increase the own resources of the Community until and unless certain changes, including the change in the method of financing the Community, have been made. I believe that the time for action is now. I believe Britain is in a particularly strong position to help save this Community. After all, we are the Community's bankers. It is the excess money coming from us that is going to finance the common agricultural policy surpluses and if we want to reform the common agricultural policy that we all talk about, we had better start withdrawing some of those resources, hadn't we — particularly as they ought not to have come from us in the first place? What I believe Mrs Thatcher should do is to start now. No more words, let us have some deeds! Let her announce that from her current gross payment into the Community of 200 million pounds a month, which is net 100 million, she will subtract the payments sufficient to reduce our net contribution to the 275 million pounds she said in Athens it was fair for us to pay. In this way we can really concentrate the minds of the Community. We should have then to face up to the reforms that are so necessary. I hope my country will give the leadership which has not come from the meeting at Athens a short while ago.

Mr Halligan (S). — Mr President, the complete failure of the Athens Summit has shocked some of us at least — if not the various Heads of State, as Mrs Castle has said — into the realization that there is no automatic guarantee of the continued existence of the European Community. I think that this may be, in fact, the best long-term benefit from the total disaster of Athens.

This morning Prime Minister Papandreou in a superb but sombre speech said that within the Community there were fundamentally different views of the Europe of tomorrow and that the choice lay between a customs union buttressed by a common agricultural policy and smaller common policies dealing with the regions and social affairs and an integrated organiza-

tion of States with common policies designed to meet common problems. Such honesty and clarity is rare in a political leader, and we should be grateful to him for presenting the current impasse in these terms. For he left us, I believe, in no doubt this morning that Europe is in deep crisis. To underline the seriousness of the situation, he called for a new Messina so that we could renew our belief in Europe as a common enterprise and so that we could re-establish our common will to build a true community of European nations.

Following him, President Thorn reinforced the analysis by stating that the real cause of failure in Athens was a lack of agreement on the real meaning of the Community and that this failure was a group failure rather than the sole responsibility of any single Member State.

I do not believe that the gravity of the crisis as analysed by both the President-in-Office of the Council and the President of Commission has yet registered with European public opinion, with our respective parties or even, as Mrs Castle says, with our leaders since we are all immersed in our national preoccupations. In these disastrous circumstances I believe it to be the solemn duty of this Parliament to alert our respective national electorates that Europe stands at a point of no return and that the fundamental decisions need to be taken over the coming months as to whether we really want European integration or merely continued European cooperation. I know that with twelve and a half million people unemployed and with a virtually stagnant economy the European ideal is neither popular nor persuasive at the moment. People have lost faith in Europe. We are each retreating into more openly expressed forms of economic nationalism. Yet the political and economic failures of Europe are a direct result of our collective failure to create economic union and not of the common market and the CAP. Our problems stem from our inability to create supranational European institutions and markets and not from any success in that direction.

Therefore, we need to spell out the message that there is no alternative to the European Community save individual national failure in the face of continued onslaught from the United States, from Japan and from the newly industrialized nations. But if we are to achieve the goal of a truly integrated Europe, then we must accept that sacrifices have to be made all round and that no Member State can absolve itself from the necessity to do so. The principle of *juste retour* is the death warrant of the European ideal. Yet it was never stronger. The failure in Athens must be the signal for the total disappearance of that expression of European nationalism. What we need immediately are collective policies to combat and to eliminate unemployment to end regional disparities, to ensure our economic indep-

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endence and to maintain peace on this part of the continent. In other words, Mr President, we need policies designed for the survival of Europe. If we fail because of lack of vision and political courage, then we will consign Europe to a dark and dismal future in which democracy is endangered by mass unemployment and in which our independence of the superpowers will be eliminated. We cannot go on as if the sign on the door was 'business as usual'. These are not normal times. The people of Europe feel collectively threatened and we have failed them. We must achieve the end of economic nationalism and the beginning of true European integration. Hopefully, that is the message we will transmit to the French Presidency.

Mr Charalambopoulos, *President-in-Office of the Council of Ministers.* — (GR) I must admit that it is natural that our sitting this afternoon should have focused on the Athens Summit.

It has been the main concern of all those who have spoken. Views have been voiced by all sides, and I believe them to have been of great interest because they have touched on the basic problems of the Community, not just the economic problems, but the political ones as well: problems that we generally include in the context of what is known as European political cooperation.

Ladies and gentlemen, I believe that in his speech this morning Mr Andreas Papandreou, the Prime Minister of our country and the President of the European Council, presented a vivid picture of the real situation in the Community today, and he went on to register views in connection with the attempts at previous summit conferences to put a guillotine on discussion of situations on earlier occasions, and to hide them away, so as to prevent the critical problems of the Community hanging out for all to see. So I am particularly glad that most of those who have spoken, not to say every speaker, have laid stress on precisely this aspect of the president of the European Council's speech.

Something else I would like to stress is that the stand taken by the Prime Minister of Greece and the views expressed by those who have spoken this afternoon add up to an accurate diagnosis of the sickness which is at present racking the European Community.

I do not want to make a point, in this context, of stressing the role played by the Greek Presidency in these six months, but I feel that I must because I have had the repeated honour of coming to this House to answer your questions which have expressed a pluralistic range of diametrically opposed views. As President of the Council of Ministers I have been obliged to reply and to accept criticism from whichever side it has come, while always recognizing that those who voiced it were acting in good faith. Because the European Parliament must be the place where criticism can be levelled at all quarters.

As I said earlier I am particularly glad that the role of the Greek Presidency has been acknowledged by all sides, despite the fact that there have been reservations in many quarters over the critical stance adopted by the Greek Government on certain matters. Nevertheless, as regards the duty placed on my country after the European Council in Stuttgart, the arduous and conscientious work that has been accomplished in conducting an in-depth examination of all the mandates set out in Stuttgart via the use, for the first time, of special Councils, has been clearly recognized. The fact that the Athens Summit was a real failure is, of course, to be regretted, but, as some Members have pointed out, it was perhaps the first time that a President of the Council has painted a picture of things in their true light.

The Greek Presidency has tried to forge out a middle way between the opposing sets of views whereby the Community can take on a new image and form, because it is certain that it cannot survive for long in its present set-up. For it to make new beginning it has got to be reshaped and given a new image, and I believe this is the conclusion that has come out of this evening's debate in which all of the speakers have touched on this fundamental problem. The political will which is said to exist, but is not apparent in practice, must this time come to bear, given that the new factors and developments which have occurred as the Community has moved from a membership of six to a membership of ten make it imperative to look again at ways of launching it on a new course.

In winding-up, Mr President, ladies and gentlemen, I also want to deal briefly with the points raised by certain colleagues in connection with political cooperation. Our apprehension of things differs totally from that of others who hold to the view that the first purpose of political will is to lead to solutions in respect of certain matters, other than economic convergence, which are basic to this Community, whereas, purely and simply, we consider the convergence of the economies to be the only really sound basis. Unless this is clearly understood we cannot move on to other procedures. This is precisely why the well-known Genscher-Colombo draft, which in Stuttgart took the title of 'the solemn declaration on European Union', deals with a whole variety of points in clarifying the principles of political cooperation and establishing the framework in which common positions can be arrived at when there exists an identity of view. I would like to assure you that in presiding over political cooperation I have tried to uphold and respect its guiding principles. Some may see it differently, that I accept, and everyone must admit that there does exist a diversity of view, but none the less, when dealing with matters involving political cooperation we have to define the narrow confines in which this can exist and also the role of the President of the Council of Ministers. Mr President, ladies and gentlemen, in winding

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up I would like to thank you all yet again for the painstaking work you have put in and for your contribution on so many matters, because Parliament's voice must be heard and listened to with respect. I feel strongly about this and I understand your problems and anxieties because, as you are well aware, three years ago I sat on these benches with you. The European Parliament must acquire a real voice and be accorded a genuine role in the shaping of Community affairs.

Before we move on to Question Time, Mr President, I would like to, in the framework of the agenda, to answer the three questions by Mr Cousté, Mr Fanti and Mr Glinne, respectively.

First the question by Mr Cousté. In its statement of 18 June the European Council in Stuttgart paid special attention to the development of the new policies with a view to giving the Community a more effective base in the areas of research and new technology and to aiding industry and cooperation between undertakings. You have raised the idea of a conference of the Member States. In preparing the ground for the Athens meeting the European Council used the system of special Councils, and everything that has to do with industrial policy was given a full airing at these meetings. In addition special meetings took place of the Council for energy and research. I can assure you that problems relating to the internal market and to growth industries were discussed in depth. As I have said before one of the most significant steps as regards the internal market was the issuing of the seventh directive dealing with accounts mergers between groups of undertakings with a view to promoting collaboration between them and improving the investment climate.

Second, the question by Mr Fanti and others. My reply is as follows. The Ten are firmly committed to the principles of the United Nations Charter and have worked ceaselessly for the preservation of peace and international security, for the promotion of peaceful cooperation between all nations irrespective of political or economic complexion, for the achievement of arms control and disarmament, for the abolition of every form of racial discrimination and for respect for human rights.

Anyway, as I outlined this morning in the report on the accomplishments of the Presidency, the Ten have concentrated their efforts on these objectives. The specific matters raised by the honourable gentlemen have not been discussed in the context of political cooperation. This does not, of course, stop the Member States from working for the restoration of genuine international detente on a bilateral or other basis.

The last question is that of Mr Glinne. The Ten believe that the traditional ties and common interests

which link Europe with the Middle East demand that they play a special role in the search for a compromise and for a negotiated settlement of the Middle East problem. As part of this attempt, conscious of their role, the Ten have repeatedly pleaded with all the parties concerned to move towards rapprochement and to find ways of making the most of the various peace proposals, such as the Reagan plan and the plan approved at the Arab summit in Fez. The Ten are firmly of the opinion, and they have said so many times, that the Palestinian people must be assured of all the necessary means for the exercise of the right of self-determination, whatever this right entails. The Palestinians themselves will determine how they wish to exercise this right of theirs.

As I have already said, the Ten support all initiatives which aim at a peaceful settlement of the Arab-Israel conflict, and in this spirit they have voiced satisfaction with the talks going on between Jordan and the PLO. They consider that dialogue and negotiation can help to bring about constructive progress towards peace in that region. The PLO must be included in this dialogue and negotiation.

The Ten are of the view that economic sanctions do not always bring about the desired results, and therefore they believe that the parties concerned must be exhorted to look for the incumbent solutions through dialogue.

President. — I should like to express Parliament's thanks to the President-in-Office for his detailed answers here today and for taking part as President-in-Office of the Council in Parliament's work during the last six months. I hope that we shall have the pleasure of welcoming him among us again as a Member of the European Parliament. Thank you, Mr President.

The debate is closed.

Votes^{1, 2}

IN THE CHAIR : MR KLEPSCH

Vice-President

Mr Israël (DEP). — (FR) I should like to draw your attention to the fact that the agenda which was distributed to us this morning — I repeat, this morning — in French, Doc. PE 88.040 does not mention the vote on the resolutions on the Athens Summit to be held at 6.30 p.m. today, and a number of my colleagues are not present to support Mr de la Malène's resolution because of this inexplicable omission. I feel I should draw it to your attention, Mr President.

¹ See Annex.

² Topical and urgent debate (announcement): see Minutes.

President. — Mr Israël, at worst it can only be that it has not been printed in all the languages. I read it in my own language and I also find it in the French version, in the footnote under (2) on page 9 of document PE 88 035. I cannot therefore accept your complaint.

Mr Israël (DEP). — (FR) My objection still stands, Mr President. The note which you meant is not in the French text.

President. — Mr Israël, it is, as usual, in the Annex. You are probably looking at the draft agenda. What we adopt on Monday is published as an annex to the Minutes as the agenda adopted by the plenary sitting and it can be found there in the place I have referred to.

6. Question Time

President. — The next item is the first part of Question Time (Doc. 1-1164/83).

Today we have less time than usual, and since we started late I would ask the House to agree to continue Question Time until 8.15 p.m. and that two-thirds of the time, i.e. forty minutes and two-thirds of the time, be for the Council and one-third of the time be reserved for questions to the Foreign Ministers.

We begin with questions to the Council.

Question No 1 by Mr Collins (H-565/83):¹

It is now uncertain whether the Greek Presidency will, as previously indicated, hold a special Council meeting devoted to consumer protection. In view of this, and having regard to the importance of satellite television for advertising on an international level

1. Would the Council not agree that their failure to act on the proposal for a directive on misleading advertising has resulted in confusion and uncertainty among advertisers and consumers, particularly as Parliament has adopted its opinion as long ago as 1979?
2. Will the Council say what progress has been made towards a satisfactory conclusion and an agreed Directive?

Mr Charalambopoulos, President-in-Office of the Council of Ministers. — (GR) The Council arranged a first meeting on consumer protection and information for 12 December. At this meeting it made a thorough examination of the main problems affecting the formulation of a draft directive on misleading advertising. These problems have to do with the operational

scope of the directive, the definition of misleading advertising, comparative advertising, the manner in which the consumer may invoke the law in respect of misleading advertising and the provisions governing the burden of proof. Substantial progress was made on many of these matters. The problems are complex from both the technical and legal points of view and for this reason the Council was unable to endorse this draft directive at its first meeting on the subject. Because of the urgent need to find harmonious solutions, chiefly in view of the anticipated growth of satellite advertising, the Council has asked Coreper to press ahead with the work involved so that the next Council meeting on consumer protection, which is programmed to take place during the French Presidency, can have the opportunity of ratifying its proposals.

Mr Collins (S). — First of all I would like to express my thanks and the thanks of my committee to the Greek Presidency for taking an initiative which no other Presidency has been able to take over the last 4 1/2 years. It has managed to bring about the first ever meeting of the Consumer Council, and I really do think that it is about time the Greek Presidency was given some praise for doing exactly that.

However, can the President-in-Office tell me the date of the next Council when further discussion will be able to take place? And will he not agree with me that in spite of the praise that I have offered to the Greek Presidency, it really is ridiculous that five years have elapsed since Parliament gave its opinion on misleading advertising and on some of the other subjects raised at this particular Council meeting and that discussions have indeed taken place in Coreper, presumably between intelligent human beings, on relatively minor disagreements, and yet somehow or other this Council was unable to reach agreement? Finally, will he assure me of his efforts to persuade the French Presidency of the urgency of these matters and of the need to arrive at final agreement on them in the very near future, preferably during the French Presidency?

President. — Mr Collins, I say to you and all other Members, you have in fact put four questions to the President-in-Office of the Council, whereas you are only allowed one supplementary question. I leave it to the President-in-Office to decide how he wishes to reply. According to the Rules of Procedure each Member can only put one supplementary question.

Mr Charalambopoulos. — (GR) I have no difficulty in answering the Member's first question on the great length of time it has taken for this problem to be tackled on some sort of specific basis. However, at this moment, I would not wish to pass any judgement or attribute responsibility. Rather, I would simply agree with the Members that there has been a delay.

¹ Former oral question with debate (0-90/83), converted into a question for Question Time.

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With regard to his second question, as to whether further discussions are planned and if a date has been fixed for them, I have to inform him that no date has been fixed.

Concerning his third question, I assure him that I will pass on his request to the French Presidency, and I hope that a solution will be found to this problem in the coming six months.

Mr Sherlock (ED). — I must also begin by congratulating the President-in-Office on having set this first-class example. He has allowed a torch to be carried forth in true Olympic style and to come into the other Community countries. I perhaps have been fortunate in that within the last half-hour I have received a message that it is the intention of the succeeding French Council of Ministers to hold not one but two meetings on consumer topics — the first in March and the second in June.

I wish to ask the President-in-Office his view on likely progress on another matter of immense interest to European consumers. How, in his opinion, can we best progress towards reaching a decision on product liability?

Mr Charalambopoulos — (GR) At this moment I am not in a position to reply to the honourable Member's question. It has to do with a matter of very great importance which the Council has not yet discussed. What I can do is to assure him that I will convey his request to the Council of Ministers so that the French Presidency can deal with this important matter as soon as possible.

Mrs Krouwel-Vlam (S). — I join the previous speakers in congratulating the Greek Presidency.

At its first meeting, the Council of Ministers for Consumer Affairs agreed yesterday that an early-warning system should be set up for dangerous substances in utensils and foodstuffs in the Community. Can I take it that these dangerous substances include the infamous hormones added to meat? And will this system be a kind of Interpol, a criminal investigation department and/or a control service, and what powers will it have?

Mr Charalambopoulos. — (GR) The honourable Member has raised a matter of very great importance. The question of the use of harmful hormones has in fact been dealt with by the Council via its agreement on the proposed decision setting up a system for the rapid exchange of information between Member States and the Commission in respect of dangers arising from the use of consumer products. The purpose of this system is to enable the Member States to take suitable measures when there is evidence that a particular consumer product poses a danger to the health or safety of the consumer.

President. — Since they deal with the same subject, I call Question No 1A by Mr Sieglerschmidt (H-564/83)¹

In its statement of 25 May 1983 on the exercise of voting rights in the elections to the European Parliament of 14-17 June 1984, the Council appealed to Member States 'to make every effort, as far as possible, to fulfil the objective that all nationals of Member States should have the right to vote in the election of the European Parliament, either in their country of origin or in their country of residence'.

Convinced that, in the elections to the European Parliament, all Community citizens must not only have the right to vote either in their country of origin or in their country of residence, as the Council's statement demands, but that it should also be made possible for them to exercise their right to vote in practice, we ask the Council:

1. Whether it agrees with the position enunciated above, namely, that the Member States are bound to make it possible for Community citizens who have their residence in a Member State other than that of which they are nationals to exercise their right to vote without necessarily having to make the journey to their country of origin on the day of the ballot for this purpose?
2. Whether it agrees that the Member States are thus bound — whether politically or legally — first and foremost to guarantee this right for their own nationals, but that, if necessary, Member States in which such citizens have their residence should also do everything they can to make it possible for Community citizens from other Member States living there to exercise their voting rights?
3. Are there any Member States which do not allow such of their citizens as have their permanent residence in other countries — including the Member States of the Community — any right to vote at all?
4. What prospects are there of a possible change in this situation for the forthcoming European elections — if necessary in cooperation with other Member States?
5. Which Member States will have postal voting arrangements for their nationals, including those living in other Member States, for the forthcoming European elections?

¹ Former oral question with debate (0-76/83), converted into a question for Question Time.

President

6. Which Member States which have no such postal voting system have tried to come to an arrangement with other Member States to allow their nationals to exercise their right to vote in the Member State in which they have their permanent residence in polling stations set up in the appropriate diplomatic or consular missions or under the responsibility of such missions?
7. In which Member States will arrangements of the type described in point 6 be available for the forthcoming European elections?
8. Which Member States give their residents who are nationals of other Member States the right to vote for the candidates of the country of residence?
9. What other measures have the Member States taken or will they be taking, individually or jointly, in time to ensure that every Community citizen residing permanently in a Member State and willing to participate in the European Parliament elections of 14-17 June 1984 is in a position to do so without having to overcome unreasonable obstacles?

and Question No 8 by Mr Ephremidis (H-506/83);

Owing to rising unemployment, the worsening economic crisis and other factors, migrant workers and their families will experience extremely severe problems in travelling to their countries of origin in order to exercise their right to vote in the elections to the European Parliament.

What measures does the Council propose to take to facilitate their travel and does it propose to make sufficient resources available from the Community budget so that the majority of migrants will not be compelled to abstain from voting?

Mr Charalambopoulos, President-in-Office of the Council of Ministers. — (GR) These questions can, in fact, be answered together.

Until such time as a uniform electoral system comes into effect without impinging on the provisions of the Act of 20 September 1976 concerning the election of representatives to the European Parliament by direct universal suffrage, the system whereby Members are elected is governed by the national legislation of each Member State. Hence the question as to whether a citizen of a Member State who is resident elsewhere in the Community, and not in his country of origin, is obliged to travel to his country of origin in order to vote in the European elections is dependent on national provisions. At the Community level there is no provision or policy commitment which compels a Member State to make arrangements for its citizens who are resident in other Member States to vote in the European elections for candidates in their country of origin without having to travel there to exercise the

right. However, as the Council asserted in its statement of 25 May 1983, the national legislations of the Member States do, in the great majority of cases, make it possible for those of their citizens who are resident elsewhere in the Community to vote for candidates in their countries of origin. Furthermore, cooperation is going on between the Member States to facilitate the exercise of the right to vote.

Mr Pearce (ED). — Mr President, can you please explain to me why you have jumped from Question No 1 to Question No 8? The practice of this House is to take the questions in the order in which they are printed. Mr Collin's question should be followed by Mr Cousté's, and that should be followed by mine. Could you kindly explain to me why you are breaking the rules?

President. — Mr Pearce, that was decided on Monday in view of the importance of the question and the forthcoming elections.

Mr Pearce (ED). — Mr President, would you please tell me when this was decided, by whom it was decided, how it was communicated to this House, and why I personally, as the author of one of these questions, have not been informed of this? May I have answers to these questions, Mr President? It really is not good enough for the rules to be broken in this fashion.

President. — The political group chairmen asked Mr Sieglerschmidt on Monday to agree to this, which he did. It was a unanimous decision.

Mr Sieglerschmidt (S). — (DE) In view of the answer the President of the Council gave to the question — this is not a question to the President of the Council — I wonder what authority those Council Members who were not able to put the solemn decision of 25 May 1983 into effect in their countries actually have. What sort of people can make such a declaration as Council members but cannot put it into effect in their own governments!

Now to my question. I am aware that at present three Member States do not give their nationals the right to vote if they are resident in another Member State. Will there be any changes by the election date, to allow them to vote? In this connection I have a further question. There are also seven Member States three of which, as I know, give their nationals the right to a postal vote. What arrangements exist in the other Member States to give the nationals of another Member State resident there the effective right to vote? Are there any agreements in those other four Member States to enable the nationals of other Member States to vote there in diplomatic missions or polling stations under the responsibility of the diplomatic missions? What is the situation? I hope you will be able to offer me some reassurance that millions of

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Community citizens will not be excluded from the elections on 14-17 June because this decision was not put into effect.

Mr Charalambopoulos. — *(GR)* As I stated in my original reply, it is a fact that no solution has yet been found for this problem, and it will be decided nationally. What I do know is that as far as Greece, for example, is concerned, the Greek Government would very much like all of its nationals who are resident in other Member States to have the opportunity of voting for candidates in their own country. The other Member States have differing opinions about this. In any event, according to the information that the Council has at its disposal, all the Member States are prepared to open up voting venues in the other Member States, in embassies and consulates and, if need be, in other centres as well. I would say that there is general agreement about this. There is a generality of view, but, as I have said, differences exist from country to country.

Mr Ephremidis (COM). — *(GR)* I have listened to the Minister's three replies. I must say that he has been clear about things and that the manner in which he answered the question showed concern about ensuring that this sovereign right is made available for the millions of citizens who, through no choice of their own, but rather through force of economic or, in many instances, political, circumstances, do not reside in their countries of origin and are unable to exercise the right to vote.

However, I want to ask a more practical question. All right, so it is a national matter, and each country has to decide for itself on whether to give this right to those of its citizens who are resident abroad. But it is a national matter from another standpoint, as well. The host countries themselves must give their foreign citizens the practical and what I would call the material capability to exercise the right. Therefore, where two countries are involved in this sort of way, the Council, by virtue of its control of policy within the Community generally, does have the power to coordinate things between the two sides. We did not have a specific reply about this, and I would request the Minister to give us some information on the basis of the discussions he has had in the Council. Is the Council moving in this direction, to ensure, that is, that both the right and the material provisions are made available?

Mr Charalambopoulos. — *(GR)* Naturally, Mr Ephremidis shares a strength of feeling with all those who belong to Member States whose citizens, for various reasons, reside abroad. And since we are speaking of elections to choose Members of the European Parliament the proper, rational, fair and democratic thing would be for them to elect candidates from their own countries.

As I said before, this is a matter which is subject to national provisions. Mr Ephremidis turned it on its head and asked: but what about those who are resident in other Member States, how are these other Member States facing up to the matter? I want to assure Mr Ephremidis and other Members that the Council has given repeated attention to this matter and has made specific recommendations. The fact that some form of final answer has not yet been found does not mean that the matter has been forgotten. The problem is of very great importance, and, speaking for the Greek Presidency at least, I would like to assure Mr Ephremidis and other Members that the necessary steps have been taken to facilitate the exercise of this truly sacred right by all those who are resident in states other than their country of origin.

However, as I have said, the matter has not yet been settled. Let us hope that the problem will be resolved satisfactorily during the course of the French Presidency as the European elections in June get nearer.

Mr Alavanos (COM). — *(GR)* I want to ask the Minister whether, in view of the observed trend, recently at least, for problems in the Community not to be solved, no matter how important they are, I feel anxious. Only five months remain before the elections, and even though I realize, of course, that the hope that the French Presidency will solve the problem is genuine, there is no guarantee that it will solve it.

I want to ask if any practical steps are being taken, albeit by national governments, to provide migrants with financial assistance so that they can at least undertake the journey from Germany or Belgium to Greece or Italy to exercise the sacred right to vote, as the Minister himself has described it?

Mr Charalambopoulos. — *(GR)* I cannot anticipate what steps certain Member States intend to take if this matter is not finally resolved by other Member States. However, I can assure Mr Alavanos that, for its part, Greece is studying the matter with a view to helping Greek citizens who wish to travel to Greece to exercise their right to vote. I said that steps are being considered because the Greek Ministry of the Interior is studying a variety of measures. However, I cannot commit myself as regards the steps being envisaged in the meantime by the other Member States.

President. — As the author is not present, Question No 2 will be answered in writing.¹

Question No 3 by Mr Pearce (H-454/83):

Is the Council pleased that it is its own actions over recent years in the annual fixing of prices under the common agricultural policy that are the main cause of agricultural surpluses?

¹ See Annex II of 14. 12. 1983.

Mr Charalambopoulos, President-in-Office of the Council of Ministers. — (GR) In the Council's view the reasons for the present situation in European agriculture, especially as regards the existence of surpluses in certain sectors, are more complex than the honourable Member's question would give us to understand. As far as Council action on the fixing of prices is concerned, the Council is bound first of all by the objectives set out in Article 39 of the Treaty, objectives, that is, which apply to such widely-differing sectors as economic, social, agricultural and fiscal policy.

The Council has sought to strike a balance between these objectives. For example, in the main areas of surplus it has instituted co-responsibility measures which are designed to reduce or, at least, put a brake on the production of the main surplus products.

Mr Pearce (ED). — Would the President-in-Office of the Council agree that in order to avoid a repetition of the absurd situation which we have seen so often where at one time of year the Budget Ministers reduce expenditure in the budget and at another time of year, Agriculture Ministers increase expenditure in the same budget by their decision on farm prices, that from now onwards, the Budget Ministers should indicate a total amount for agricultural expenditure which may not be exceeded by the Agriculture Ministers so that the Agriculture Ministers have to fix prices and ceilings for payments out of EAGGF which are within a budget figure?

Mr Charalambopoulos. — (GR) What the honourable gentleman is asking for is not something simple, but rather, as became apparent during the special Councils and at the Athens Summit, something very complex, and something which has constituted one of the most difficult of all the problems. This is precisely why the Athens Summit achieved no tangible results.

Miss Quin (S). — The level of surpluses at the present time is high, particularly for certain products, and I would like to ask the Council if a clear statement can be made as to which method of disposing of those surpluses the Council prefers. Will it prefer selling them off on the world market and thereby making life difficult in general for agricultural produce from exporting countries or will it choose the path of selling the surpluses off cheaply to European consumers?

Mr Charalambopoulos. — (GR) It is common knowledge that huge surpluses exist in certain products, and several of today's speakers have mentioned these surpluses. There is nothing secret about them. We all know, for example, that the butter mountain will this year exceed a million tonnes. The same is happening with milk and other products.

We have a double problem, therefore: on the one hand how to dispose of the existing surpluses and, on the other, how to prevent the surpluses getting larger.

Perhaps I should say that the honourable lady's question broaches two possibilities: either the Community can decide to dispose of the surpluses, albeit at very low prices, or, if it is unable to sell them off, it can distribute them to the Third World, to countries where collectively hundreds of thousands of people are dying of hunger every day. However, the Community has not yet come to any decision on this. The surpluses which exist in certain products constitute one of the Community's major problems, and after what you heard this morning from the President-in-office of this Council I am not in a position to give a reply to this crucial question. I wish that I could give a reply, but I am unable to because what happens with the surpluses is a problem for the Community as a whole.

Mr Alavanos (COM). — (GR) I think that some agricultural products which appear to be in surplus are, in fact, not in surplus, even though there is withdrawal, dumping and production restriction. These are cotton, tobacco and citrus fruits. They appear to be in surplus, and are considered as such, because of enormous imports, chiefly from the United States, which make it difficult for us to dispose of our own products. Hence, in some cases, the question of how to deal with product surpluses has also to do with the application of Community preference as entrenched in the Treaty of Rome.

What steps in the Council thinking of taking with regard to this matter which is of particular significance for the agricultural production of our country?

Mr Charalambopoulos. — (GR) We are clearly in favour of Community preference. There is no question about that. Nevertheless, the surpluses do create a further problem which remains to be solved and which undoubtedly has to do with certain of the points touched on by Mr Alavanos.

President. — Question No 4 is held over until January at the request of the author.

Question No 5 by Mrs Hammerich (H-464/83):

The Danish Government has declared that the economic aspects of security do not cover matters concerning cooperation on arms in the Community. However, during the European Parliament's debate on the Fergusson report on 11 October, Commission Narjes referred to this very section of the Stuttgart Declaration as a background to discussion of arms production and arms sales.

Does the Council take the view that 'the economic aspects of security' can in any way refer to plans for cooperation on arms production in the Community?

Mr Charalambopoulos, *President-in-Office of the Council*. — (GR) I will be very brief, and perhaps I shall not satisfy the honourable lady. The Council has never discussed this problem and is thus unable to give her a reply.

Mrs Hammerich (CDI). — (DA) Are we to understand that, when the Stuttgart Declaration was adopted in June 1983, the Council had simply not thought out what 'the economic aspects of security', as the new phrase puts it, should mean? Was it simply a question of adopting a few words and signing them without giving any thought to what they might perhaps imply?

Mr Charalambopoulos. — (GR) I do not think I have anything to add to what I said at the outset. I appreciate how the honourable lady feels, but this matter has not yet been discussed. That is precisely why my original reply took the form it did.

Sir Peter Vanneck (ED). — Bearing in mind that Denmark devotes only 0.5% of its research and development budget to defense requirement research, Holland and Italy about 4%, while France, Germany and the United Kingdom spend an average of 33% of their total research and development budgets on defence research, is it not self-evident that, with the right Community solidarity, important economies can be made in the coordination of national defence R & D budgets in order to avoid waste and duplication? Would the Council agree, that the smaller Member States stand to gain most from cooperation in defence procurement expenditure, particularly through technology transfers?

Mr Charalambopoulos. — (GR) I am obliged to repeat the same thing, and perhaps the honourable Member will not be satisfied. As I said at the outset, this matter has not been discussed in the Council. I am sorry, but that is the reply.

Mr Alavanos (COM). — (GR) I want to put in a short question, not specifically about the production and sale of arms, but about the matter in general, about the economic aspects of security in the context of action on a European Community basis, that is. I would like to ask the President-in-Office what he thinks. Is Community activity and cooperation with regard to the economic aspects of security fully in accord with the letter and spirit of the Treaty of Rome? Is it fully in accord with the letter and spirit of the treaties of accession signed by the Member States which joined at a later date, or is it a new commitment embraced by the governments which signed the Stuttgart text?

President. — Mr President, in my opinion you already answered this question twice.

Mr Charalambopoulos. — (GR) The Treaty of Rome remains the operative mechanism.

Mr Bøgh (CDI). — (DA) I think that it is quite unacceptable when we have a situation in which the Council states that it does not understand matters of such importance as those contained in the Stuttgart Declaration, and when at the same time we get an interpretation from the Commission which is entirely inadmissible. It is unworthy of this House. May we not be given a sensible explanation of this matter?

President. — Mr Bøgh, that is the fourth time the same question has been put. Naturally it also interests me but — and what I have to say also applies to Mr Alavanos, the President-in-Office of the Council has already given the same answer three times and I cannot see any reason for putting the question a fourth time.

Question No 6 by Mr Israël (H-474/83):

Does the Council wish to comment on the fact that it has reputedly instructed the Commission to try to include the human rights question in the negotiations on the future Lomé Convention, a welcome decision on which it is to be congratulated?

Mr Charalambopoulos, *President-in-Office of the Council of the Foreign Ministers*. — (GR) As it has already emphasized in its reply to the written question of Mr Vernimmen, No 726/1983, the Council considers that respect for human dignity, as this is defined in the International Declaration on Human Rights and in the African Charter on Human Rights, prosperity, the full development of human potential and recognition of the role of women are objectives which must be regarded as conferring on development its meaning and importance.

For this reason the Council has instructed the Commission to negotiate an annexed reference to these objectives in the next convention with the ACP States. Furthermore, I would like to tell Mr Israël that I value his question highly and to inform him that the aspect to which he has referred will have an important place in the new convention due to be signed, we believe, during the course of 1984. When this matter was raised at a meeting of the General Affairs Council, over which I had the honour of presiding, it was agreed at the outset that it should be included in the convention.

And I must add that acceptance of all of the text covering human rights in general and the rights of women did not come easily. However, it is something which has been of concern to the Council of Ministers, and I want to believe that in 1984 a specific provision, binding on the ACP States, will be included in the convention.

Mr Israël (DEP). — (FR) I should like to thank very sincerely the Greek Minister and, through him, the Council as a whole since this instruction to the

Israël

Commission corresponds to our profound desire that human rights should be included in the Lomé Convention. Hence my supplementary question. Has the Council taken account of the European Parliament's decision of May 1983 to introduce the problem of human rights into the Lomé Convention?

Mr Charalambopoulos. — (GR) I can inform Mr Israël that during discussions on the new convention — let us not call it Lomé III, because we do not know what name it will have — various of the Foreign Ministers had a lot of forceful things to say. I am sure that the new convention will not fall short in reflecting the duty we all have to protect human rights.

Mr Alavanos (COM). — (GR) We appreciate and respect your concern about human rights, but, as you yourself are aware, the term 'human rights' is often fraught with danger. Hence it is that you see them one way, and Mr Israël another. You have one view about human rights in Cyprus, and in his report Mr Israël said that human rights in Cyprus are not being violated.

To avoid pitfalls clear distinctions must be drawn on the basis of the socio-political systems of certain countries, and it must also be borne in mind that some of the countries which are signatories to the Lomé Convention have objected to this initiative on human rights. I would like, finally, to ask you if we should regard the Commission's decision to cut off aid to Grenada, just a few hours before the invasion which our Parliament applauded, as being within the framework of what the Council is putting forward?

Mr Charalambopoulos. — (GR) I think I was quite clear about things in my original reply. Mr Alavanos's supplementaries refer to other matters and not to the specific point raised in Mr Israël's question. My duty, on behalf of the Council, was to reply to the question by Mr Israël.

Lord Bethell (ED). — Is the President-in-Office aware of the tremendous satisfaction that his assurance has given the entire House, one that I know is shared by the bureau of the working group on human rights, of which Mr Israël is part? Will he undertake to communicate to his successor the fact that we shall be enquiring under the next presidency about how this matter is considered and how the negotiations are carried out? Will he particularly bear in mind that there is considerable concern about violations of human rights in Ethiopia, ...

(Cries of 'Hear, hear!' from the European Democratic Group)

... a country which is an important recipient of Community aid? Will he undertake to convey to the responsible authorities our deep concern over human rights in Ethiopia, and to make sure that there is a

link between their observance there and the amount of Community taxpayers' largesse that country receives?

President. — Lord Bethell, the President-in-Office of the Council has already pointed out to Mr Alavanos that he cannot answer matters unconnected with the question. Although I think that the first part of your question relates to Mr Israël's question, this is not so true of the second part.

Mr President-in-Office, do you wish to answer the first part of the question, namely whether you are prepared to pass on this recommendation to your successor as President-in-Office?

Mr Charalambopoulos. — (GR) As regards human rights what I want to stress — and Lord Bethell knows this too — is that there has to be consistency and not double standards. So when we speak about human rights we must agree on what it is we are talking about. Personally, I agree with him that we ought not to operate double standards, and this is something for which I am always striving.

However, to come back to Mr Israël's question, and so as not to be unfair to my compatriot, Mr Alavanos, I shall not reply to your specific question because I have already replied to the one put down by Mr Israël. I would like, however, to say something of my own about human rights. If we want our views on human rights to be respected we must have consistency and there must be no double standards.

President. — I am sure that the House as a whole shares this view.

Mr Habsburg (EPP). — (DE) I wanted to thank you above all for the fact that this time the Council is taking energetic action. I would also be very grateful if you could give me an idea of how the other side, i.e., the ACP States with whom we are negotiating, is reacting to the Council's approach, for last time, in the case of Lomé II, we found that although the Council had shown a great deal of goodwill, the ACP States said 'no' and the matter was then dropped.

Mr Charalambopoulos. — (GR) I will gladly answer this question. As I said earlier, this matter came up for the first time a few months ago during discussions about the new convention, and it was then that the Council decided to include it. However, we have not yet embarked on the pre-ratification procedures for the new convention so I am no position to know what will happen during 1984, or what sort of positive or negative responses there will be.

President. — Question No 7 by Sir Peter Vanneck (H-501/83):

If the Australian Government succumbs to pressure for the abrogation of uranium ore supply contracts to Community electricity undertakings,

President

what steps will the Council take in conjunction with the Commission in order to ensure that contracts are honoured?

Mr Charalambopoulos, President in-Office of the Council of Foreign Ministers. — (GR) Again I will give a brief reply. The developments to which the honourable Member's question seems to be referring have not yet come to the Council's knowledge. Consequently, for the present there is nothing to be said.

Sir Peter Vanneck (ED). — Mindful that cheap, reliable uranium supplies are essential to our Community's vital nuclear power programme and that we have been worried by the new Australian Socialist Government's attitude — an attitude that might be paralleled by events in our other two major supplier countries, South Africa and Canada — are there any contingency plans for containing the very real risk to the Community's secure supplies of the nuclear fuels on which we so fundamentally and increasingly depend?

Mr Charalambopoulos. — (GR) I will convey the honourable Member's concern to my Council colleagues. At this moment I cannot answer his questions.

Mr Moreland (ED). — As the President-in-Office will know, the Australian Government has made some noises about stopping uranium exports. Will he, if this happens, remind the Australian Government that the Community is a very large purchaser of coal and that if it is going to play games with its supplies of uranium to the Community, then we shall look elsewhere for our coal?

Mr Charalambopoulos. — (GR) I will reply, why not! But I will say what I said to other honourable gentleman, namely, that I will convey his concern and queries to my colleagues in the Council of Ministers.

Mr Enright (S). — Would the President-in-Office not agree that the Council should not consider dictating to sovereign independent States how they conduct their internal business, unless there is a ruling from the International Court of Justice, as there is in the case of the extraction of uranium in Namibia, and will he assure us that the Council respects the international convention with regard to this and would not replace uranium supplies by supplies from that source?

Mr Charalambopoulos. — (GR) I can give this reply to the honourable Member. It is a fact that the Council cannot interfere in any way whatsoever in the sovereign decisions of independent States.

Mr Rogalla (S). — (DE) Mr. President, on a point of order, I heard you say to my surprise this is the last

question in this part of Question Time. I note that we started at 7.12 p.m. May I ask you to tell me briefly on the basis of what allocation of speaking time you are saying this?

President. — Mr Rogalla, you obviously were not here at the beginning of Question Time when we agreed that Question Time should be extended from 8 p.m. to 8.15 p.m. and that the short amount of time at our disposal would have to be divided between the Council and the Foreign Ministers and that we would have to devote the remaining time to questions to the Foreign Ministers.

As the author is not present, Question No 7 will be answered in writing.¹

We come now to the questions to the Foreign Ministers.

We begin with Question No 23 by Mr Habsburg (H-313/83):

Do the Ministers agree that the evacuation of Cuban mercenaries from Angola, is a precondition for genuine Namibian independence, since experience shows that failure to do so will undeniably expose this weak country to the danger of unwarranted intervention and even military aggression?

Mr Charalambopoulos, President-in-Office of the Council of Foreign Ministers. — (GR) The Ten acknowledge that all countries in the world have a legal right to take all appropriate steps to ensure and guarantee their security. In the case in question the Ten consider that it is up to the government of Angola to decide in its own sovereign way as to how its security can be fittingly strengthened and guaranteed.

The Ten have repeatedly expressed their view that the people of Namibia must be permitted, as quickly as possible, to decide their own future through free and genuine elections under the auspices and control of the United Nations, in accordance with Security Council Resolution 435. We believe that Namibian independence must in no way be further delayed by other problems outside its borders.

Mr Habsburg (PPE). — (DE) May I ask the President of the Council whether he really regards that as a realistic policy, for surely it is purely ideological to say: we do not know about the situation round there. Do the Foreign Ministers not have any information about the fact that very recently the foreign intervention forces in Angola have been reinforced to an alarming degree by new Cuban units, because the Angolan government, threatened by the representative of the Angolan people, Jonas Savimbi and his Unità, can no longer hold out against its own people, and that the situation there represents an international risk?

¹ See Annex II of 14. 12. 1983.

Mr Charalambopoulos. — (GR) The honourable gentleman is aware that in order for a reply to be given to his question, which falls within the context of political cooperation, it is necessary for there to be a unanimity of view among the Member States, in the Council of Ministers that is. That is why, in the reply that I gave, I made repeated reference to the Ten, and this because the reply reflects the position of the Council of Ministers on this problem and the question and has been given with its unanimous consent.

Mr G. Fuchs (S). — (FR) Eighteen months ago the European Parliament sent a delegation to Angola which visited the south of that country and confirmed beyond doubt that southern Angola is occupied by South African troops. Does the Minister not believe, therefore, that the real precondition for the withdrawal of Cuban troops from the region is the ending of the totally unjustified occupation of Angolan territory by South Africa?

Mr Charalambopoulos. — (GR) Mr President, I think that my original reply suffices for the honourable Member.

Mr Muller-Hermann (PPE) — (DE) Mr President of the Council, the political insecurity in Namibia is caused not only by the presence of South African troops but also by the border disputes, for which Swapo is mainly responsible. Do you not think that Swapo can only be so active in northern Namibia because the Swapo guerillas are being supported by the Cuban troops in the country?

President. — I do not think that the President-in-Office of the Council wishes to answer that question.

Lord Bethell (ED) — Is the President-in-Office aware that the Cuban troops in Angola were flown there seven years ago in Soviet aircraft piloted by Soviet airmen and that they are still there many years later? Would he not agree that the best solution from the Community's point of view in Angola would be the withdrawal of Cuban troops and South African troops?

President. — Lord Bethell, I think that the President-in-Office of the Council has already answered that question in his statement.

I understand your question. However if you listen to what the President-in-Office of the Council said in his previous answer you would realize that he is not in a position to add anything to the statement he made here and I think we should leave it at that. If he so wished I would call him to speak, but I feel that I am not misrepresenting his position.

Question No 24 by Mr Lagakos (H-462/83):

Can the Foreign Ministers state what developments have taken place in Central America, particularly in the light of the meeting of the troika with the Contadora group during the recent UN meeting in New York?

Mr Charalambopoulos, President-in-Office of the Council of Foreign Ministers. — (GR) First of all I would like to say that the Ten have drawn satisfaction from the meeting which took place in New York on 29 September between the troika and the Foreign Ministers of the Contadora group. At this meeting the Contadora representatives stressed the importance of the declaration of objective aims, approved by them last September, as regards the finding of a solution to the Central American problem. The next step will be to convert the 21 points of this declaration into concrete and legally-binding provisions giving precise definition to the rights and obligations of the parties concerned, with special attention being paid to political and security aspects. The Ten attach particular importance to this new development and hope that it will lead quickly to a peaceful settlement of the Central American crisis through negotiation.

Mr Lagakos (S). — (GR) I just want to ask about the following point which you will, in any case, have picked up from the somewhat general way in which my question was framed. Two months at least have gone by since I tabled my question and since the meeting between the troika and the Contadora group. Has anything new happened in the meantime?

Mr Charalambopoulos. — (GR) It is a fact that there have been developments in the region. However, what we as the Council of Ministers can assure Parliament of is that the Community is unreservedly backing the initiatives of the Contadora group. We would like to hope that the efforts of these four Central American countries will contribute decisively to a reduction of tension and to opening up the way a peaceful settlement of the differences and conflicts which exist in that very sensitive region.

Mr Alavanos (COM). — (GR) In keeping with the Minister the Communist Party of Greece also supports the position and initiatives of the Contadora group. However, certain other parties are paying no due whatsoever to these initiatives and proposals and, quite the opposite, are engaging in activities which effectively divest them of all practical value. From this standpoint I would like to ask the President-in-Office what specific representations the Community has made to the United States, which is set on bringing about the isolation of Nicaragua through clandestine intervention, and particularly to Honduras which is one of the main factors behind the crisis in Central America and with which the Community continues to have the closest relations.

Mr Charalambopoulos. — (GR) As far as the Community is concerned, at least, I think that my original reply to Mr Lagakos covers Mr Alavanos's worries as well. The Community wishes to see peace restored in Central America and, naturally, a lessening of tension and settlement of the differences through political means.

Mr Pöttering (EPP). — (DE) Mr President of the Council, do you share the view that on the matter of Central America the European Community countries must not come into opposition with the United States but must support the United States by actively supporting the peace process with a view to the development of a free society and that the ten countries of the European Community must not merely express hopes and wishes but actually take practical steps *vis-à-vis* the Central American countries?

Mr Charalambopoulos. — (GR) I must assure the honourable Member that this matter, the situation in Central America, that is, has been discussed by the Council of Ministers on many occasions. I must also say, on behalf of the Council of Ministers, that the Community is interested not just in giving support to the initiatives of the Contadora group, but also in registering a more active presence in the region, and, of course, as you know, a more active presence cannot be based solely on declarations, but requires moral and economic support as well. The States of the region and the Contadora group have, in fact, requested this from the Community. Certain discussions are under way, within the framework of the possibilities open to the Community, with a view to giving real substance to the interest it has in what is happening in Central America, but these have not yet reached any conclusion. In any event, the Community does wish to have a political, economic and moral presence in the region, and the express aim of this will, of course, be to help in fostering a peaceful solution to the region's problems.

President. — Question No 25 by Mr Adamou (H-341/83):

Two Turkish prisoners, Mehmet Demirtzan and Hasan Tzan, who were on hunger strike have died from exhaustion and continual torture in the prisons of Istanbul. Thousands of others are continuing the hunger strike, which began on 8 July in the prisons of Istanbul and spread to prisons in Tsanakale, Malatya, Dyanbakir and the Black Sea, demanding an end to torture and better living conditions. What measures do the Foreign Ministers intend to take to put an end to the torture of prisoners and save the lives of the hunger strikers in Turkey, having particular regard to the steadily growing movement throughout Europe in support of the hunger strikers and condemning the Turkish junta of Evren which suppresses all basic human rights?

Mr Charalambopoulos, President-in-Office of the Council of Foreign Ministers. — (GR) The Ten have repeatedly expressed concern about the political situation in Turkey and have drawn the Turkish Government's attention to the need for human rights in that country to be respected. The Ten will continue to keep a close watch on the situation in Turkey.

Mr Adamou (COM). — (GR) I am sorry, but I must say that the President of the Council's reply is not in

the least satisfactory if one thinks of the crimes being committed daily by the Evren Junta. Recently, something which has been condemned in this House, it sentenced the members of the peace committee to long terms of imprisonment. And again, most serious of all, it organized the vexatious coup in Cyprus with Denktash as its tool. Therefore I would like the President of the Council to tell us in clear terms whether the fourth financial protocol with Turkey, which the Community had frozen, still remains frozen, and if it will stay frozen until such time as democracy is restored in that country.

Mr Charalambopoulos. — (GR) In truth I can understand the honourable gentleman's displeasure, but I have to remind him that the reply which I gave was given on behalf of the Ten.

Mr Adamou has brought up other matters in connection with his original question, specifically the fourth financial protocol. It is well known that this protocol remains frozen. However, the Member will recognize that I cannot presume to say what the policy of the Ten will be in the future, given that numerous problems of this sort will have to be looked at in the light of the regulations which govern what the Community does. What I can state, of course, is something which you are aware of already, namely that three of the Community's Member States have raised the question of the violation of human rights in Turkey in the Council of Europe.

President. — The first part of Question Time is concluded.¹

(The sitting was suspended at 8.15 p.m. and resumed at 9 p.m.)

IN THE CHAIR:
MRS CASSANMAGNAGO CERRETTI

Vice-President

7. Amendment of Rule 49 of the Rules of Procedure

President. — The next item is the report (Doc. 1-975/83) by Mr Herman, on behalf of the Committee on the Rules of Procedure and Petitions on the amendment of Rule 49 of the Rules of Procedure.

Mr Herman (PPE), rapporteur. — (FR) Madam President, ladies and gentlemen, I shall report to this very well attended sitting on the changes to Rule 49 proposed by the Committee on the Rules of Procedure and Petitions.

(Smiles)

In the past the interpretation of Rule 49 has given rise to a number of objections and difficulties. This rule was originally intended to alleviate somewhat Parliament's agenda, particularly where urgency is concerned.

¹ See Annex II of 14. 12. 1983.

Herman

In fact, it has had the opposite result, and it was considered that resolutions adopted under Rule 49 had the same value and the same binding legal force as any other resolution. The wording of this article made this interpretation possible, but this gave rise to several difficulties since Parliament had provided special procedures for certain matters and it was abnormal that it should be possible to obtain one result by following the complicated, i.e. cumbersome and lengthy procedures — consideration in committee, drawing up a report, vote in committee, consideration at the plenary, vote in the plenary — one could obtain one result, whereas for the same items one could invoke Rule 49, one could arrive more rapidly — without debate, without the possibility of tabling amendments and without a report — at a decision by Parliament different from the other. In order to overcome these difficulties several interpretations had to be given excluding progressively, on the one hand, budgetary matters and, on the other, items on which Parliament had been consulted by the Council or the Commission. Finally, a case arose which caused a lot of discussion, the von Hassel resolution on Parliament's places of work.

Because of the interpretation difficulties raised by this resolution the Committee on the Rules of Procedure and Petitions proposed a new interpretation which was not accepted by the House.

The question was sent back to the committee which decided to make a choice between two views of Rule 49: either Rule 49 should revert to its original purpose, i.e. that of an early day motion, in other words a statement by Parliament on a matter of general interest which, however, had no specific legal significance and which, as a result, gave rise to a whole series of procedural consequences: or, on the other hand, that the Rule 49 procedure would lead to resolutions which had binding legal force, in which case it was logical and normal to provide other procedural conditions which would make it possible to hold a debate, table amendments and have conflicting votes. This would modify considerably the so-called simplified procedure.

Faced with this choice the committee unanimously opted for the first alternative. That alternative is set out in the amendment being proposed. It is therefore an extraordinarily simplified procedure which is very uncomplicated since anyone can sign a motion for a resolution entered in the register and can sign it in any form whatsoever. One is not obliged to go to the place where the register is kept; it is enough simply to sign the motion for a resolution on a sheet of paper when moving around the House. One can do so — and this is the only restrictive condition — provided the text of the resolution does not contain more than 200 words. Certain Members, particularly in my group, find this restriction somewhat excessive and would like to ease it, but since it is not possible to table amendments they will ask for a vote by division and will abstain on or reject the words '200 words'.

Therefore, I think that the new proposal concerning Rule 49 will free us from the difficulties of interpretation

which we had with the previous text. I hope, therefore, that it will receive the unanimous support of the House.

Mr Sieglerschmidt (S). — (DE) Madam President, the procedure to date under Rule 49 of our Rules of Procedure is a compromise which unfortunately did not succeed. It is a compromise *vis-à-vis* the normal motion for a resolution. That is why Rule 47 is also referred to in Rule 49.

A normal motion for a resolution, if adopted, becomes a decision of the European Parliament. Here we are dealing with a compromise between an ordinary motion for a resolution and, as the rapporteur pointed out, the 'early-day motion' of the British House of Commons. That inevitably led to doubts about what sort of decisions the European Parliament can take by signatures, i.e., by wielding a pen. That is why a restrictive interpretation was given with regard to which matters are not dealt with under that procedure, i.e., cannot lead to a decision of the European Parliament on the basis of that procedure. All other matters, however, which were not covered by that interpretation, can as before lead to a decision pursuant to the current Rules of Procedure.

Here, however, this procedure is totally incompatible with a basic rule of parliamentary activity, for on the one hand parliamentary activity of course means democracy on the basis of voting, but on the other it also means voting on the basis of prior consultation.

If we take this procedure, for which we are now making provision, to its logical conclusion, then in the end we could quite safely abolish the committees. Why should we have committees if we can take decisions by 218 or more Members simply signing something? Why do we even need plenary sittings? Each Member could have a home computer and after entering a code number could vote on the matter that will lead to a decision of Parliament. I think that is the real and fundamental objection to this procedure.

But that does not mean that what would remain, according to the proposal of the Committee on the Rules of Procedure, is without value. If 250 or 300 Members submit a written declaration, especially on humanitarian or similar matters, that declaration would still have great importance for those to whom it was addressed and who are not very interested in whether a decision of the European Parliament was taken formally, pursuant to the Rules of Procedure. For the addressee what is interesting is how many and perhaps also how many eminent Members have signed such a decision.

I think it has become clear that my group fully and entirely endorses the procedure proposed by the Committee on the Rules of Procedure and Petitions. In any case we can only choose one or the other system. The rapporteur has already explained that. We agree with the Committee on the Rules of Procedure and Petitions that we should choose the system of the written declaration, which is mainly intended for humanitarian issues, and advise Parliament to take the same approach and to support the proposed amendment of the Rules of Procedure.

Mr Price (ED). — Madam President, Rule 49 was based on the practice of the British House of Commons, where 'early-day motions' are tabled to which Members can add their signatures. These motions are not debated and therefore are not adopted. They are merely an expression of the opinion of those who sign them. However, here in the European Parliament we have added one further aspect — namely, the possibility of forwarding the motion to named institutions if it secures the signatures of a majority of Members. This addition has given rise to the misunderstanding on the part of some that such a motion could become a resolution of Parliament. The words of the rule never referred to such a motion as a resolution. In order to avoid confusion, it would be for better to describe such motions as declarations, which is all that they have ever been. So, my group will support the rule change proposed by Mr Herman in his excellent report.

Mr Nyborg (DEP), chairman of the Committee on the Rules of Procedure and Petitions. — (DA) Madam President, I merely wish to say that we have discussed this matter very seriously in the Committee and have reached agreement on Mr Herman's report, which I can recommend for adoption. At the same time I would point out quite plainly and clearly that it does *not* have any retroactive effect, in respect of any motion for a resolution whatsoever which may have been adopted prior to the adoption of this amendment to the Rules of Procedure.

President. — The debate is closed.

The vote will be held at the next voting time.

8. Amendments to the Rules of Procedure

President. — The next item is the report (Doc. 1-1140/83) by Mr Nord, on behalf of the Committee on the Rules of Procedure and Petitions, on the consideration of and vote on amendments in the European Parliament.

Mr Nord (L), rapporteur. — (NL) Madam President, the report I have the honour to present today concerns the internal activities of Parliament and, as you know, these internal activities and the methods we use are often criticized. We are now making proposals to improve these methods and in this particular instance the way in which amendments are considered.

The explanatory statement in my report shows precisely how many amendments this Parliament has to consider. And when you look at the statistics, you will be shocked by the number. But in the Committee on the Rules of Procedure and Petitions we did not want to confine ourselves solely to the aspect we were asked to consider: how to limit the number of amendments on which votes have to be taken here in

plenary? We related this to another problem which seemed more important to us: how does this Parliament perform the task conferred on it by the Treaties of considering Community legislation? I realize, of course, that we spend a very great deal of time on oral questions, interpellations and urgent resolutions, but under the Treaties one of our principal tasks is to deliver opinions on the proposals for Community legislation on which we must express our views and the Council of Ministers then takes or, as is usually the case, does not take decisions. And it is here that we find our agendas leave us less and less time for what is perhaps Parliament's most important task, that, when the Commission makes a proposal for a regulation or directive, several hundred amendments are tabled, usually a quarter of an hour before the voting begins, and we are expected to discuss them all.

This was what prompted us to draw up this report but, as I have said, we thought about this problem in more general terms instead of asking ourselves how we can reduce the number of amendments, how we can prevent Members from tabling so many amendments. We asked ourselves how we can improve the procedure this Parliament uses for considering Community legislation. And, as you can see from my report, the answer we propose is this: the introduction of a second reading. All the national parliaments have this procedure. It is really rather remarkable that we should be proposing this after the European Parliament has been in operation for so many years. But in view of the question of Parliament's seat, we cannot propose a second reading in plenary. That would entail a considerable increase in the number of part-sessions, which is impossible because of the question of the seat. We have therefore proposed that this second reading should take place in committee.

As I have said, Mr President, this is the practice in normal parliaments, the national parliaments. Does anyone here know of a national parliament in which government bills are dealt with at a single reading in a matter of weeks? I do not think there is anyone here who can give me an example of a national parliament that would want to take responsibility for a procedure of this kind. Of course not, of course there is a second reading everywhere. Many parliaments even have a third reading.

What we are proposing is that after the first reading in committee, followed by a report in committee, there should be a second reading in committee if the number of amendments exceeds a given limit and the President feels that both the number and the nature of these amendments justify their referral to the parliamentary committee responsible, which would then present a supplementary report to Parliament in plenary.

The discussion of this question in our committee was long and difficult. I believe I submitted my first draft

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report to the committee about a year ago, and in that year we have had many a Socratic discussion in committee. And we are now coming to you with the final product, which is a compromise reached yesterday, here in Strasbourg, when we discussed the various amendments to my report. What we are concerned with here is the amendment, which I shall discuss in a moment, that has been tabled by Mrs Vayssade and myself under the heading 'Compromise amendment' and replaces Amendment No 5 tabled by Mrs Vayssade and Mr Seeler on behalf of the Socialist Group.

But other amendments have been tabled, suggesting changes to this system of a second reading in committee when more than 20 amendments have been tabled.

There is an alternative proposal from Mr Luster. My committee is opposed to this. I am referring to Amendments Nos 1 and 2. Mr Luster is thinking of a reduction in the number of amendments but not of the legislative aspects I mentioned, improving Parliament's control over Community legislation. We are therefore against his proposal.

As regards the other amendments, I shall tell you on Thursday at the time of the vote whether my committee is for or against. In this I must make an exception in the case of Amendments Nos 8 and 7 by Mr Patterson, which call for an extension of the deadlines for the submission of reports. In principle we are in favour of this, but we feel that rather more time should be taken over the wording of these amendments. I should therefore like to ask Mr Patterson if he would be willing to withdraw his amendments for the moment and you, Madam President, acting on behalf of Parliament's Bureau, to instruct my committee to come forward at a later stage with proposals concerning the deadlines Parliaments wishes to set for the submission of reports.

To conclude, a few words about the time at which our proposals might enter into force. If they are approved, we shall have transitional difficulties in view of the enormous number of reports to be considered at the moment. I would therefore propose that, if our proposal is accepted, it should not apply to any of the reports already being discussed in the parliamentary committees. That will give us a tolerable transitional situation. You must therefore regard our proposal as being linked to the suggestion that the new system we propose should not apply to any report being considered by a parliamentary committee at this time.

Madam President, that is what we are proposing. We believe that the rules of procedure of parliaments are important, and I would ask the House to approve this new arrangement.

Mrs Vayssade (S). — (FR) Madam President, as the slow pace of the work in committee shows, it is diffi-

cult to revise the Rules after the long hours devoted to them several years ago. I think, therefore, that Mr Nord is to be congratulated for the persistent way in which for he has explained his ideas.

The compromise was difficult and I hope that the majority of the House will vote for it. Let me say at once that the Socialist Group will vote for it. I believe that the second reading procedure, applied exclusively to consultation on Commission texts, will make it easier for us to reconcile what are sometimes contradictory demands: respect for the individual rights of Members and the need to ensure the effectiveness of this institution and therefore consistency in our opinions. This has not always been the case when a mass of amendments have been voted on too rapidly without being first considered in depth. The proposals being put forward are therefore a compromise. I do not wish to stress further the Rule 54(a) compromise procedure — on which Mr Nord has just spoken at length — but simply to stress two or three other proposals put forward in this report which will alter somewhat the way we habitually carry out our work.

These proposals concern the form in which amendments are tabled and the need for these amendments to refer to paragraphs or indents rather than seeking to replace a whole text, which always makes voting difficult. I think it will add clarity to our debates even if it sometimes means tabling more amendments.

These proposals would also mean that certain procedural requests, for example, for a vote by division or for a roll-call vote, would have to be made in writing. I believe that this would force each Member and each political group to prepare more carefully for the votes and to decide in advance what it regards as essential and on what matters it wishes to insist on a roll-call vote so that it will know where it feels that a vote by division will help to simplify a complicated or complex matter.

I believe that these two aspects which have not been stressed as often since they give rise to fewer debates in committee will not, perhaps, be negligible in the everyday life on this Parliament and when it comes to voting.

I sincerely hope that Mr Patterson will withdraw his Amendments No 7 and No 8 since, although his proposal would be interesting in bringing about a genuine improvement in our debates, I feel that as the project now stands, given the absence of debate in committee, it would be very premature and difficult to implement. I have to state that, if he refuses to withdraw it, the Socialist Group will vote against it.

We shall also vote against Mr Luster amendments since we feel that insisting Members should be familiar with what happens in committee, would be too cumbersome in practice and would adversely affect the right of Members to table amendments. I am not convinced that this would be very effective.

Vayssade

Finally, the amendments tabled by Barbara Castle and others are minority amendments within our group and do not, therefore, have our support. I do not know whether we shall be able to have them withdrawn before Thursday morning, but it would certainly facilitate the vote. On the other hand, I can now state that Amendment No 3 by Mr Seeler which was not accepted yesterday and which is clearly of no importance has been withdrawn. There is no need to put it to the vote on Thursday morning.

This will be the position of the Socialists the day after tomorrow and I hope that the compromise which has been reached after much debate will be accepted by Parliament as a whole and enable our work to follow a more efficient procedure.

Mr Herman (PPE). — (FR) Madam President, ladies and gentlemen, on behalf of my group I wish to congratulate Mr Nord who has shown extraordinary patience, great courage and much clear-sightedness in drawing up his report. I should also like to congratulate him personally for the tolerance which he showed *vis-à-vis* the behaviour of his colleagues, particularly those of my group who did not make his task easy. I should like, nonetheless, to console him and to reassure him this evening by stating that the compromise which was reached with such difficulty has been defended within my group, and I believe it will support it. There were not many of us present at the end of yesterday evening's meeting but I am able to say that they will support it. I think that we shall also win over Mr Luster to the compromise, although it is not yet certain since he still has to think about it. I think, in any case, that we will be able to get the compromise through since it is more necessary now than ever in view of the large number of useless amendments which were tabled and particularly because of the difficulties which Parliament experiences in ensuring continuity and consistency in its position because of the large number of amendments which are adopted under conditions far from conducive to reflection and considered judgment.

I do indeed believe that Mr Patterson should withdraw his amendments since they would give rise to a difficulty of interpretation which would make many of our colleagues reticent on the proposals for reform put forward today.

I should like to add that some of our colleagues are hesitant about accepting the requirement that all request for a split vote should be submitted in advance in writing. We are in favour of the requirement whereby requests for a roll-call vote should be submitted in advance in writing. There is, in fact, a case for limiting this type of vote which is costly and which is sometimes abused. But we have not noted any abuse where split votes are concerned and which some times enable a number of difficulties of interpretation or to reach agreement.

That is why the majority of my group will vote for Mr Nord's report in the hope that the few amendments which do not respect the spirit of compromise which we arrived at yesterday will meanwhile be withdrawn.

Mr Beazley (ED). — Madam President, my group will support the Nord report with the amendments which the rapporteur will recommend to the House. I would personally like to congratulate the rapporteur on the patience with which he has drawn it up and the committee for the compromise which we have achieved.

It has been very clear throughout the four-and-a-half years of this Parliament that the procedure of this House has suffered badly on account of the present rules concerning amendments. Today's system means that important matters can be debated by speakers in ignorance of the implications and the effect of certain amendments. This results in this House being subjected to long sessions of mechanical voting where a large number of amendments may be of little consequence. The result has not only been frustration on the part of the voters, but of contradictory amendments being approved with the subsequent withdrawal of the report after hours of voting.

The main merit of this report is that it provides for a second reading in committee where more than 20 amendments have been tabled. This is highly desirable where the House may be in conflict with the responsible committee. However, different views have been held as to where the second committee reading should be held. This House has no equivalent of the Speaker in the British House of Commons, and my group believes that the Parliament's President cannot assume that role. Irrespective of the specialist knowledge which that position would require, our President has no time for such an exacting task. It is equally important that the Nord report does not remove the right of a Member to write an amendment and for it to be heard in public. Furthermore, if it is rejected at the second reading in committee it can still come to be heard in the plenary, if it receives the support of a group, a committee, or 21 Members.

Now it is difficult to assess how much this report will cut the number of amendments coming before the House. However, I believe that it will remove trivial amendments and clarify the main issues with which the report is concerned.

There remains only the question of the timing of deadlines for tabling amendments. My colleague, Mr Patterson, will speak on this point, but I would say that this will need further study which the Committee on the Rules of Procedure and Petitions will devote to it. My group therefore recommends the House to support the Nord report so that it may pass on to our successors a procedure which will improve the quality of this House's debates and simplify and shorten the voting process.

Mr Enright (S). — I simply want to defend Mrs Castle's amendments on the grounds that they would, in fact, save a considerable amount of time. It seems to me that the two decisions that we are about to make this evening, could well be contradictory. The first one is to make sure that when people make grand assertions and take stances — and that is a perfectly just and right and the proper thing for a parliamentary person to do — these assertions discussed as considered judgments of this House.

Secondly by not weeding out the enormous number of amendments that we have, we are, I think, taking a very wrong decision and are impugning the integrity of the Bureau of this Parliament. I hope we will not do that. I hope we shall pass some of Mrs Castle's amendments, which would help indeed.

At the same time, I congratulate Mr Nord on the enormous amount of work and care he has put into this report.

Mr Patterson (ED) — Madam President, this is clearly a specialist's subject, and all we require of the other 415 Members who are not here is to come and vote for these amendments and the Nord report unseen when we have the vote. And that just points the problem, does it not? It is not so much cutting back the number of amendments which Mr Nord is attempting to achieve in his report, but making sure that we actually look at the amendments and discuss them in advance. This may not matter in many cases, but it certainly does matter when we are a legislature. That is why Mr Nord's report is confined to those matters where we have been consulted by the Council on a legislative text.

I just add one thought to all those put by my colleagues so far. If we vote in the incoherent way that Mr Beazley has referred to, unseen and sometimes in a contradictory way, why should either Council or Commission pay any attention to the way we vote in the first place? We must pass this report in order to be taken seriously as a parliament, and that is the main reason for supporting it.

In response to numerous pleas from my colleagues to withdraw Amendments Nos 7 and 8, may I just explain that what I am attempting to do in Amendments Nos 7 and 8 is to make sure that Members have a longer time to look at the amendments before they come to vote on them. That means having longer deadlines. I do realize that this would cause problems in connection with the present report, and therefore I withdraw them. However, I hope that the Committee on the Rules of Procedure and Petitions will now consider the whole matter of deadlines so that the translation service and everybody else has a chance to deal with these amendments properly, and then go on to the second reading afterwards.

So, I say to the 415 Members not present I hope that they will vote overwhelmingly for this Nord report,

which may well constitute a great step forward for this Parliament.

President. — The debate is closed.

The vote will be taken at the next voting time.

9. Conciliation procedure

President. — The next item is the report (Doc. 1-984/83) by Mr De Pasquale, on behalf of the Political Affairs Committee

on the communication from the Commission to the Council and the European Parliament on the conciliation procedure (COM(81) 816 fin.).

Mr De Pasquale (COM), rapporteur. — (IT) Mr President, it is indeed a happy circumstance, and one not without significance, that allows me to present this evening the report of the Political Affairs Committee on the conciliation procedure. The failure of the Athens Summit shows resoundingly that it is no longer possible to make any progress if the decisions of the Community are left only to intergovernmental negotiations. The increase in own resources, or the reform of the agricultural policy, or the restructuring of the budget — these are all problems that need far more than modest, marginal agreements based on compromises reached at the lowest possible level and devoid of any global view of the Community's interests.

It is now clear that the Community can neither develop nor survive without a broad base of democratic consensus, and a far-reaching reform of the institutions that will give Parliament a decisive role in the legislative process. These considerations are dramatically clear and topical today, but they are certainly not new. The first debates on the extension of the powers of Parliament and, in particular, on the principle of co-decision where legislation is concerned, go back to the beginning of the 1970s, and were the basis for the position adopted by the Paris Summit in 1974, and the joint declaration of 4 March 1975.

The purpose of the conciliation procedure, which was laid down then, was to guarantee, on the one hand, Parliament's effective participation in the making of decisions of a general nature with important financial implications, and, on the other, to bring together the positions of the different organs of the Community so as to allow the Council to decide on the basis on an established area of agreement.

Despite the various ambiguities that the text contains, the Act of 1975 represented a considerable degree of progress along the road to better cooperation between Parliament and the Council. In practice, however, right from the start, it was interpreted so restrictively as to leave Parliament virtually excluded from the decision-making process.

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The experience of recent years has been exceedingly disappointing for many reasons that I shall not go into here, and with which we are all familiar. The long-windedness, the silences, the delays, the Council's refusals, have all changed the nature of conciliation, and deprived it of meaning. Strong in the knowledge of its own sole powers of decision, the Council has almost always reduced conciliation to a pure formality. There has never been any real comparison of positions, nor has there ever been apparent any readiness on the part of the Council to change its mind — already made up — so as to take account of Parliament's opinion.

These reasons make it necessary to revise the mechanisms on which the present procedure is based. Even the communication from the Commission of the European Communities — which is the subject of our debate — expresses this need for change. We approve the main proposal of the Commission, which is to extend the field of application of the procedure to all legislative acts of the Community that are of general importance. We approve of it, not least because it re-opens the question of an old claim put forward by our Parliament.

With regard to other important points, on the other hand, the Political Affairs Committee has expressed reservations, which I will explain, and has formulated a set of amendments which, on the basis of past experience, are designed to eliminate the main 'bottle-necks' in the present procedure. Before analysing the individual proposals I should like to say, Mr President, that they have been the subject of unanimous agreement by the Political Affairs Committee, being the result of a joint effort, not only within the Committee itself, but also as between it and the Legal Affairs Committee and the Committee on Budgets, which was asked to prepare an opinion.

I should like therefore to thank all concerned for their valuable help in the preparation of this important report, which I hope may receive, in this Chamber also, a large majority in favour of the proposals it contains.

With regard to the amendments, so far as concerns the question of which organs may ask for the conciliation procedure to be opened, we have not considered it proper to include the Commission, although we recognize that, whenever it considers it necessary, this organ can recommend to Parliament or the Council that the conciliation procedure should be opened. This is because the purpose of the conciliation procedure is to reach agreement between Parliament and the Council, whereas it is right that the Commission should participate actively at all stages of the procedure, bearing in mind that, after all, it has the power to withdraw its proposal at any time before it is adopted.

With regard to the timings and the manner of applying the procedure, I think I should emphasize

that rigid time limits do not help to improve the work of conciliation. With the use of guillotine procedures there would be a danger that Parliament's role would be even further diminished than it is at present. The Political Affairs Committee therefore thought it right to fix a set of time limits and deadlines. It preferred however to retain a certain element of flexibility in the overall timing of the procedure, envisaging that this would normally be completed within a period not exceeding 3 months from the date of the first meeting of the Conciliation Committee. It will then be up to the parties concerned, to show a sense of responsibility and not prolong their work beyond the time laid down.

The question of the presidency of the Conciliation Committee was also considered, and the Political Affairs Committee considers that this should be held alternately by Parliament and the Commission.

Finally — and this is the most important new feature added to the text proposed by the Commission — the Political Affairs Committee proposes to regulate the final stage of the procedure, even where there is total disagreement between the two institutions. The purpose of conciliation — let us state this once again — is to seek agreement between Parliament and the Council. What would be the point therefore of carrying out such a complex procedure if, in the event of total disagreement, Parliament's opinion is to remain a dead letter, with no influence whatever on the Community decision-making process?

This is the crux of the problem, and by solving it, with full respect for existing treaties, considerable progress can be made in the direction of co-decision. The innovation proposed by the Political Affairs Committee respects the final power of decision of the Council. A second opinion will however be required from Parliament approving whatever agreement has been reached by the Conciliation Committee, and thus permitting the Council to take final action.

If, however, Parliament, by a majority of its members, should vote against the results of the conciliation procedure, a vote will not be taken on the motion for a resolution containing the new opinion of the European Parliament. In such a case, fresh agreement must be reached before the measures can be enacted. The proposal that there should be an absolute majority for the rejection of the results of the conciliation procedure means that it will only arise in extreme and really serious, unusual cases, and it is a guarantee against the danger that occasional majorities might prejudice the adoption of acts that are necessary for the life of the Community.

Taken altogether, the proposals that we are putting before you, ladies and gentlemen, firmly define the position of Parliament with regard to conciliation. We do not expect them to be accepted *en bloc* by the

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other institutions. More than anything else they represent a basis for the negotiations that we leave in the hands of the President of our Parliament, which is the body that is empowered to conduct the negotiations, with full freedom and responsibility. Obviously, he must report to this Assembly before the negotiations are concluded. What we are asking is that these negotiations should start immediately, and that the presidents of the three institutions should sit down together round a table, and agree on a new declaration that will replace the joint declaration of 1975. We ask for an end to the prevarication that has gone on throughout the life of this legislature, which is about to come to a close without any consideration having been given to a single one of the institutional proposals put forward by Parliament.

If we are to get the Community out of the blind alley into which it has been driven, what is necessary is — I repeat — a gradual but far-reaching reform of institutional relations. A new conciliation procedure is certainly not the cure-all that will solve everything, but it would be an unmistakable sign of political will, and of our ability to progress.

Mrs Macciocchi (S), draftsman of an opinion of the Legal Affairs Committee. — (IT) Madam President, I am particularly happy to outline the opinion of the Legal Affairs Committee on the conciliation procedure, which represents an example of excellent collaboration between the two parliamentary committees involved; the majority of the suggestions put forward by the Legal Affairs Committee in its opinion are embodied, in the form of amendments, in Mr De Pasquale's report.

Improving the efficiency of the conciliation procedure is one of the few objectives on which 'all men and women of goodwill' in Parliament are in agreement.

This identity of intentions and views — which was reflected in a unanimous vote in the Political Affairs Committee, and in an almost unanimous one in the Legal Affairs Committee — is not due to any lack of alternative solutions to the problems clearly set out in Mr De Pasquale's report. A number of amendments to my draft opinion were in fact put down in the Legal Affairs Committee; however, the discussion took place in a spirit of constructive compromise between one's own ideas and those of one's colleagues, which is the proper spirit for any profitable parliamentary work.

The limitations of the conciliation procedure, which was founded in 1975 as a result of the need to involve the European Parliament more closely in the procedure for shaping the legislative acts of the Community, were very soon apparent, and are referred to in paragraph 2 of the opinion of the Legal Affairs Committee.

For this reason, on Parliament's initiative, the Commission last year presented a proposal for improving the conciliation procedure.

It is on this proposal that we are formally required to vote today: but, in reality, through this debate and the vote on the De Pasquale report, Parliament is expressing its needs *vis-à-vis* the other two political institutions — the Council and the Commission — with regard to the machinery for adopting Community decisions.

As we await important and positive changes in the very structure of the bond that binds our countries together — changes that will offer a new framework within which the real problems of Europe will be more capable of solution — the conciliation procedure is, in itself, a positive result. It is furthermore the embryo of the type of relationship that should in future link the Chamber of the Peoples and the Chamber of the States.

It is with this prospect in view, and in this spirit that, by adopting this text we can show our successors the path to follow so that Parliament can begin to acquire the powers that will justify its direct election by the citizens of Europe.

The Legal Affairs Committee is in agreement with the text as presented by the Political Affairs Committee as a whole. There is only one particular point to which I should like to draw attention — and I say this not only because it arises wholly from an amendment put forward by the Legal Affairs Committee, but because, above all, it is a key point in the future agreement: paragraph (e) of Amendment No 7, which contains the notion of the need for a second opinion of Parliament to validate the final decision of the Council, in accordance with a procedure similar to that already followed in relations between Parliament and the Commission, is described in paragraph 3 of Rule 35 of our Rules of Procedure.

During the discussions in the Legal Affairs Committee the representative of the Commission expressed himself against the proposed formulation, and argued that the proposed text had no legal foundation in the EEC Treaty. That is, at one and the same time, obvious and irrelevant, since the very idea underlying the conciliation procedure — both that of 1975 and the one proposed today — is that the Treaty contains no dispositions that would allow the achievement of such a purpose.

I wish to say that I hope very strongly that the voting in the Political Affairs Committee and the Legal Affairs Committee will have opened the eyes of the Commission which, as the 'natural' ally of Parliament, cannot do otherwise than support it in this battle.

How would the Commission dare to come to us tomorrow and talk of the need for solidarity with Parliament, if today it did not support our institution in its just claims for greater powers, in the name of the citizens of Europe? But, I repeat, I am convinced that

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political wisdom will have prevailed over pseudo-legal arguments — that are, moreover, totally without foundation — and that we shall find the Commission at our side, as has been the case so often in recent years, and not against us as, for example, it was over the affair of the 'isoglucose' in which the Court had occasion to reaffirm the essential role of Parliament in forming 'Community law'.

In conclusion, therefore, I have to express a favourable opinion on the report, coupled with the conviction that we have made, today, a small step forward towards co-decision-making, and also perhaps towards the greater dignity and power of decision of this Parliament.

Dame Shelagh Roberts (ED). — Madam President, I should like to thank Mr De Pasquale for what I would describe as a timely and useful report. The conciliation procedure was initiated in March 1975, and as long ago as 1980 my group tabled a resolution which both urged changes in the procedure and also the further implementation of some of the proposals in the report of the Three Wise Men. We have not heard much about the report of the Three Wise Men, so I am pleased that at least one aspect of it is now being considered by Parliament. I think it is fair to say that since this Parliament was elected in 1979 there has been some improvement in relations between the institutions of the Community, and particularly improvements between Parliament and the Council.

Mr De Pasquale has pointed out that in the new procedure the conciliation procedure can be opened either by the Council or by Parliament. The scope of the procedure is also being extended to include Community legislative acts of general application and of considerable importance to the Community. My group welcomes this improvement in extending the powers of Parliament in the conciliation procedure.

The draft proposal from the Commission also covers methods of application of the procedure, and I am advised that, during discussions in the Political Affairs Committee, Mr De Pasquale made various proposals to amend the Commission text, and my group is grateful to him for also having accepted some amendments which we tabled. It is important to note that the new paragraph 8 which Amendment No 7 seeks to insert imposed a time limit on the conciliation procedure after which the Council is required to act.

In conclusion, Madam President, I would like to say that my group welcomes the Commission's proposal as amended in the draft text on the decision-making process affecting Community legislation and we shall support Mr De Pasquale's report.

Mr Irmer (L). — (DE) Madam President, honourable Members, the debate we are holding this evening is important and has come at the right time. The failed

Athens Summit has also proved to be the tip of an iceberg which has shown up the sorry state of the government representations and shown how badly things are going in the Council of Ministers — whether it is meeting as a normal Council of Ministers or as a European summit. Athens made it plain that the European Community is being delayed, hindered and impeded by the Councils rather than advanced. That is why it is important that Parliament is attempting, by its new proposals on conciliation, to bring a little more activity into the institutional affairs of the Community again. The procedure to date in the Councils of Ministers has been intolerable.

We all know that the Council has blocked a large number of legislative proposals. I need only call to mind transport policy, where we actually had to initiate proceedings before the European Court of Justice for failure to act, or the extremely unsatisfactory outcome of the conciliation procedures to date, for instance on the question of the basic food aid regulation, where the Council, without even waiting for Parliament's opinion, suddenly unilaterally declared the conciliation procedure closed and issued the regulation. That was a scandal, with the obvious result that we regard the regulation as unlawful.

We cannot tolerate all this any more. To be realistic, we must surely admit that it will take a long time for the reorganization of institutional relations proposed in the Spinelli report to take place. That is why it is important for us to make the utmost use of the power we now have. Perhaps the De Pasquale report offers some glimmer of hope for progress.

My group will support the system proposed by the Political Affairs Committee, because it regards it as a sensible first step. But we must realize that this new document will be useless by itself. The point will be whether the Council radically changes its attitude, whether it is prepared to take a political decision and political responsibility; otherwise this new document will not be much use. The problems arise when it comes to putting it into practice. At the ELD Conference in Munich last weekend Mr Genscher, the German Foreign Minister, called on Parliament to exploit its existing rights more fully. In my view he was right to ask why Parliament does not ask some of the ministers of the various Member States to state clearly how they voted and what their position is. According to the new conciliation procedure, if adopted, we will have ensured that the President does not put forward a view, on the basis of notes passed to him by some officials or other, which is not even his own or which does not reflect the opinion of the Council; but the main thing will be to ensure also that during the conciliation procedure we put political responsibility on the Council and the various representations from the various Member States and that we name names and say: it was they who applied the brakes. If this succeeds, if the letter of the new proposal is combined with a new political spirit in the

Irmer

Council, then I think that by adopting this new procedure we could make quite a lot of progress in the European Community.

Mr Andriessen, Member of the Commission. — (NL) Madam President, there is something special about the motion for a resolution being discussed here this evening. Although it is true that Mr De Pasquale's report, for which I should like to express my particular appreciation, and for the opinions of the committees which have contributed to the work of the Political Affairs Committee, contains a resolution on a text for which the Commission bears a special responsibility, the subject matter is not legislation but a matter which may lead to an improvement in the legislative procedure and specifically to the better involvement of the European Parliament.

Nearly two years ago, the Commission forwarded to Parliament and the Council a communication in which it stated its views on ways in which the conciliation procedure introduced — as has already been pointed out — in 1975 might be improved. We attached to this communication a practical proposal for an amendment to the joint declaration made by the three institutions in 1975. All the institutions concerned must clearly agree to an amendment to a declaration of this kind. The situation is that the Commission made a suggestion in 1982 for achieving this common approach, the agreement of the three institutions that is needed. The Commission then proposed that representatives of the three institutions should consider the changes that would have to be made to achieve two things:

- (a) an improvement in the conciliation procedure, which has just been discussed here, and
- (b) the extension of this procedure to include all important matters of a legislative nature.

The Commission is still convinced that these joint consultations must begin as soon as possible. I have heard it said this evening that it is high time we had these discussions, and that may be because we have witnessed the failure of the Athens Summit. But the Commission would like to have seen a much earlier exchange of views on these proposals with Parliament and with the Council, of course, because results cannot be achieved unless the three institutions cooperate.

There is another difference between this motion for a resolution and the vast majority of resolutions considered in this Assembly. Parliament is invited to state its views on its own powers, on its own role in the decision-making process in the Community. I think it is generally known that the Commission has always attached particular importance to strengthening the democratic content of Community activities. Our proposal for the improvement and extension of the conciliation procedure must be seen against this background and in these terms. The Commission is, of course, pleased to see Mr De Pasquale proposing in his resolution that the renegotiation of the 1975 joint

declaration should be based on the Commission's proposal. There is nothing unusual in the fact that Parliament has also proposed improvements in a number of respects, amendments which the Commission regards as useful improvements. And although I must say that the Commission would have liked to retain its original say in decisions on whether or not matters should be the subject of conciliation, it also appreciates the train of thought behind the amendments Parliament has proposed. We really have no difficulty in agreeing with the proposals Parliament has put forward.

But, Madam President, there is one exception, and I consider it important that it be discussed here this evening, especially as Mrs Macchiocchi has paid particular attention to this point on behalf of the Legal Affairs Committee. This is the proposal for a very basic change to the conciliation procedure, where it concerns the implications of Parliament's delivering an unfavourable opinion on the outcome of conciliation. The Commission had proposed that the Council should be able to take a decision as soon as Parliament had delivered its opinion, regardless of the contents of that opinion. The procedure that is now proposed in the amendment is substantially different. After all, if Parliament is unable to agree by a qualified majority or an ordinary majority on the text that is the outcome of conciliation, Parliament would not deliver an opinion and so prevent the provision on which Parliament and the Council disagreed from being adopted by the Council, or it would at least have to wait until agreement had been reached between the Council and Parliament. That would mean that, in theory at least, Parliament could block the Council's adoption of a provision if it concerned a measure with which Parliament did not agree.

Without wishing to engage in a pseudo-legal dispute, as the honourable Member has put it, I must say that the Commission is not convinced that Parliament is right in this respect. We feel that any extension, any improvement in the conciliation procedure should remain within the limits defined by the Treaties. Of course, as has repeatedly been said, the Commission believes that Parliament's legislative powers must be increased and, when discussing the Spinelli initiative, it left no doubt as to its views on the matter. Whether the Commission could cooperate in bringing about a change in the institutional balance of the kind Parliament is proposing is another question.

The Commission believes at present that the proposal now put forward by Parliament would ultimately upset the balance, and it cannot therefore agree with Parliament on this aspect.

Madam President, it is understandable that, where reference is made to the powers of the directly elected Parliament — and the Commission refers to them in the proposal — Parliament should try to increase its authority as far as possible. The Commission is willing to go as far as it can in this respect.

Andriessen

But in conclusion I would point out, as I did earlier in the week during one of Parliament's debates, that it is sometimes better not to go too far, that insistence on this point may make it more difficult to gain acceptance for what is good about this proposal, if it should be approved.

Madam President, I felt the need to speak plainly on this point, after the plain language that has been used in Parliament, so that, when the talks between Parliament, the Council and Commission begin — shortly, I hope — their positions are absolutely clear at the start of the debate at least.

President. — The debate is closed.

The vote will be taken at the next voting time.

10. Innovation finance

President. — The next item is the report (Doc. 1-1013/83) by Mr Deleau, on behalf on the Committee on Economic and Monetary Affairs on

the proposal from the Commission of the European Communities to the Council (Doc. 1-529/83 — COM(83) 241 fin.) for a decision empowering the Commission to help finance innovation within the Community.

Mr Deleau (DEP), rapporteur. — (FR) Madam President, ladies and gentlemen, everytime the economic crisis raging in the Community is referred to, the role which small and medium-sized undertakings can play in stimulating economic recovery and helping to solve the unemployment problems is stressed. However, it should not be forgotten that these classes of undertakings are faced with specific problems due to their size on the one hand, and on the other, the problem of access to public markets. Moreover, this is what led the European Parliament to designate 1983 as SMU year. It should be stressed that the seminars organized in most of the Member States as well as in this building on 8 and 9 December last emphasize the financing difficulties affecting them and the desire to find a solution. Parliament, therefore, can only welcome the Commission's action which which we are discussing this evening and which is aimed at facilitating the financing of certain investments by small and medium-sized undertakings, in particular innovation investment.

In fact it is well known that innovation investment in an undertaking poses special problems both because of the risk involved and the time it takes to show a return.

What then is the Commission proposing to the Council? It is asking for authorization to offer SMUs a European innovation loan derived from a combination of loans from borrowing resources and gifts from budgetary resources, if I can put it that way. This is an

original and interesting scheme which could contribute to the financing of innovatory SMUs and thereby to stimulating growth. To implement the scheme the Commission is asking for authorization for a special tranche of ECU 100 million within the framework of New Community Instrument No 3 which would be exclusively devoted to financing SMU innovation projects in those sectors which are introducing new products or are setting up innovative technologies. What are the characteristics of the proposed innovation loans?

First the loans shall normally be granted for a period of 10 years; secondly, no security is required from the recipient undertaking; during the first years the interest shall be serviced from the Community budget to take account of the fact that profits on the investment will be deferred, with the proviso, however, that the discount cost of this moratorium may not exceed 20% of the principal.

To guarantee that the interests are serviced an amount of ECU 20 million will be entered in the general budget of the Communities and paid out according as the contract is signed with the EIB, which will be responsible for the payment. These loans will be channelled through a financial intermediary who will be required to contribute an equivalent amount from his own resources for which he will bear the risk, thereby sharing it with the Community. These intermediaries must meet a number of criteria, in particular the ability to make a technically valid assessment of the risk and provide adequate publicity directed at potential beneficiaries.

The Commission stated before the Committee on Economic and Monetary Affairs that it intended to give priority to projects put forward by small undertakings. Since the definition of SMUs which will be used — i.e. that used by the European Investment Bank — covers a wide variety of undertakings, this priority needs to be explicitly mentioned. In fact if the only criteria used were banking criteria, small undertakings would have little chance of obtaining an innovation loan since the risk which the innovation project represent, because of the structure of the undertaking and its capital, is much greater. On the other hand their decision whether or not to undertake innovative investment would be contingent on obtaining a loan.

Therefore the Committee on Economic and Monetary Affairs took the view that this priority should be explicitly mentioned in the Council's decision. For this purpose it tabled an amendment to Article 2 of the proposal for a decision. Another amendment presented by the Committee on Economic and Monetary Affairs seeks to ensure that the report which the Commission will draw up under Article 7 of the decision should also be submitted to Parliament. This report should also distinguish between the different categories of undertakings which have received a loan so that Parliament can check whether the criteria laid down have been observed and in particular if the

projects of small undertakings have in fact been carried out. The Commission intends eventually to give the loans in the national currency of the borrower which would enable the loans to be granted in Community countries with the lowest interest rates — something we regard as totally justified.

These, Madam President, are the most important comments to which the Commission's proposal gave rise in the Committee on Economic and Monetary Affairs. In general, the committee was in favour of the measure — in fact it adopted it unanimously — which could promote SMUs and economic recovery. Nonetheless, we have pointed out in our opinion that the amount proposed is quite small in relation to the need, and that is why we take the view that if the measures prove successful, this action should be continued and stepped up.

In any event, our thanks to the Commission for the interest which it has shown in small and medium-sized undertakings, and our thanks in advance to the Council for agreeing to speed up the procedure for adopting this proposal so that it can be put into operation as quickly as possible.

Mrs Phlix (PPE), draftsman of an opinion for the Committee on Energy, Research and Technology. — (NL) Mr President, ladies and gentlemen, I should like to thank the rapporteur, Mr Deleau, very sincerely not only for this report but also for the way in which he has chaired the European Committee on Small and Medium-sized Undertakings in 1983.

During this debate on the Commission's proposal for a contribution to the financing of innovation in small and medium-sized undertakings it seems superfluous to me to discuss further the role these undertakings should play, particularly at a time of economic crisis. The policy-makers must, however, enable them to play their important role in employment and economic recovery, with drive, imagination and initiative and by taking calculated risks. Typical features of small and medium-sized undertakings are modest assets, a low level of liquidity and a very inflexible relationship between their own resources and borrowings.

My group is pleased with the Commission's initiative and hopes that the Council will agree to improve and facilitate the financing of innovation. We believe, however, that this initiative must satisfy a few basic conditions if it is to be efficient.

Firstly, apart from the obvious matter of sufficient resources being available, there is the question of access. We must correct the misconception that businessmen running small or medium-sized undertakings can apply directly to the Community for certain benefits. They must in fact first contact intermediary national financial institutions, with which small and medium-sized undertakings are already quite familiar.

They are also used to dealing with them, they know their procedures, their way of 'doing things'. This presupposes an effective information campaign, conducted by both the European institutions and the intermediaries, to provide answers to the questions raised by businessmen themselves.

A second requirement is undeniably that the procedure should be as simple as possible so that the majority of even very small undertakings derive benefit from this financing arrangement.

Thirdly, the measures the various Member States must take to ensure that the transactions of benefit to these undertakings can be effected everywhere. I would refer, for example, to guarantees, interest-rate subsidies, and the ruling on the subordinate nature of loans where national aid is concerned.

In conclusion, I believe that the proposed Community financing of innovation, important though it may be, must not be the only initiative taken in this Year of Small and Medium-sized Undertakings. We hope that other initiatives will follow, concerning, for example, the protection of inventors, the Community patent, uniformity of the VAT rate and so on. They will reward small and medium-sized undertakings for their efforts.

Mrs Desouches (S). — (FR) Madam President, this year Parliament has held many discussions on the situation of small and medium-sized undertakings, particularly their financing problems. It is clear that small and medium-sized undertakings have difficulty financing themselves particularly as soon as it appears that profits are at risk or will have to be deferred. Indeed, as the report points out, if there is an area where profit risk and delayed returns occur simultaneously, it is that of innovation. That is why, on behalf of the Socialist Group I totally support this report.

However, I should like to make two remarks.

In the first place, although it is often desirable to modernize undertakings, particularly small and medium-sized undertakings, this modernization or innovation should not be undertaken blindly. We have seen and still see small undertakings in difficulty because they made investments which although potentially innovatory, were nonetheless risky and were sometimes brought about by too rapid growth. That is why I would have liked to have seen the question of profitability, which does not totally exclude the idea of risk, figure clearly in this text.

Indeed, although the Community should not, as has been said, become directly involved in either the management or control of small and medium-sized undertakings, the fact that the Community budget is called on to bear the burden in case of difficulty — since no security is required from the borrower — should make us be very strict in regard to the nature of these innovations.

Desouches

Moreover I note that the envisaged financing makes no reference to research since the text states that the Community has already given financial support at the research and development stage. To my knowledge the Community does not seem to be giving any special financing to research in small and medium-sized undertakings. But this is also an area where there are risks and it is an area which, I feel, is very important for the dynamism of our economy in general and for SMUs in particular.

Having said that I should like to repeat my agreement with and support for European innovation investment.

Mr Welsh (ED). — Madam President, colleagues will be delighted to know that my group proposes to vote for the Commission's proposal. We do not regard lack of finance as the biggest problem facing small business, but we do believe that the idea of innovation loans is an interesting one and one which deserves to be explored and developed.

I must say, that great as is our respect for Mr Deleau, we cannot follow some of the wilder flights of fancy contained in his draft resolution. Even Mr Deleau's charm and skill cannot make an unprofitable small enterprise profitable merely by flinging money at it, and thus we have proposed one or two very modest amendments, which we feel would add a little pragmatism to the admirable intentions of the Deleau resolution.

Mr Narjes, Member of the Commission. — (DE) Thank you very much Madam President. I should also like to thank three others: the speakers in today's debate, for their suggestions, the committees involved, and especially the Committee on Economic and Monetary Affairs, for the work it has done and especially for the motion for a resolution, and above all to Mr Deleau for his work as rapporteur and for his renewed commitment to this matter. We are pleased that the committees took up our proposals in such a positive way and that they approved the proposed machinery, which provides us with valuable support for this initiative, for which we have such great hopes. I should like to ask you to strengthen your approval by adopting the motion which has been laid before you. This would then put us in a position to point out to the Council of Ministers that we are pursuing our proposal with the unanimous approval of this House.

I have very little comment to make on the content of the motion for a resolution as the Commission is entirely in agreement with it. Let me say only how right it is to stress the importance and the difficulty of selecting the financial institutions which are to act as intermediaries in allocating the European innovation loans. We are very well aware that the satisfactory operation of the proposed machinery will depend on this choice and we therefore attach considerable importance to it. Nevertheless from the preliminary contact

which we have had with possible financial intermediaries and from the discussions which are being held with the European Investment Bank at present, we think that this problem can be solved in a way which will take full account of the interests of the recipients of the loans i.e. the innovative small and medium undertakings.

I should also like to take this opportunity of replying to some criticisms of our initiative which have been made from time to time outside this House. We are accused of reverting to interventionism. 1. Our proposal is as well adapted to the market as it can possibly be. 2. The element of subsidy contained in this proposal is the minimum required to achieve the true aim which is to generate rich markets for risk capital in all Member States, because behind this proposal is the recognition that the innovatory activity and the innovative potential of the European economy can be realized fully only if they are preceded by innovation in the banking sector in order to ensure that more risk capital can be made available to industry, and particularly to small and medium undertakings, than has been the case so far.

Two motions for amendments to the motion for a resolution are to be voted on by the House. The Commission is happy to accept the amendments because they are entirely in accordance with the intention of its proposal. As regards the amendment relating to the circles for which the European innovation loan is intended, the Commission expects that because of the particular form the loan is to take, it will primarily benefit small enterprises. In practice innovation often leads to the formation of undertakings and has to be financed by small undertakings — perhaps I should say small dynamic undertakings — as a result of rapidly increasing turnover. On the other hand, as regards the motion relating to examination of the innovation loan machinery after a few years, the Commission finds it difficult to imagine how this could happen without the collaboration of the European Parliament.

Finally, may I once more say thank you for the continuing support which has been given in the drawing up of this instrument, which will make a substantial contribution to the revival of the institutions when it is implemented. We are able to accept the present motions for amendments in their entirety, with the exception of Mr Welsh's proposals, not because we do not share the philosophy or the spirit with which the proposal was drawn up but because the formulation of the proposal does not fit in with the methodology of our programme. We are therefore unable to accept it in this form. We could agree to the other one.

Mr Deleau (DEP) rapporteur. — (FR) Madam President, on a point of order. I do not know if I heard Mr Welsh's speech correctly over my earphones. I do not

Deleau

know whether it was merely a question of translation, but he seemed to have used the word 'silly'. This word has a definite meaning. I should like to know what he meant by it: was he referring to the Commission's proposal or the report which I presented on behalf of the Committee on Economic and Monetary Affairs and for which moreover, Mr Welsh voted in committee.

President. — Mr Deleau, that was not a point of order.

The debate is closed.

The vote will be taken at the next voting time.

11. *Exemption from turnover tax*

President. — The next item is the report (Doc. 1-1003/83) by Mr Delorozoy, on behalf of the Committee on Economic and Monetary Affairs, on

the proposals from the Commission of the European Communities to the Council for

I. A sixth directive amending Directive 69/169/EEC on the harmonization of provisions laid down by law, regulation or administrative action relating to exemption from turnover tax and excise duty on imports in international travel (Doc. 1-227/83 — COM(83) 117 fin.);

II. A seventh directive amending Directive 69/169/EEC on the harmonization of provisions laid down by law, regulation or administrative action relating to exemption from turnover tax and excise duty on imports in international travel (Doc. 1-250/83 — COM(83) 166 fin.).

Mr Delorozoy (L), rapporteur. — (FR) Madam President, ladies and gentlemen, Parliament is called on to deliver its opinion on two proposals for directives from the Commission of the European Communities to the Council. One of these is a sixth directive amending an earlier text on the harmonization of exemptions from taxes and excise duty on international passenger travel.

This sixth directive responds to a wish expressed on many occasions for the upgrading of exemptions which, since 1972 have not really taken any account of the increase in prices. By voting in favour of the report presented by Mr von Wogau at the April 1980 part-session we asked for a progressive increase in the real value of exemptions. This will be achieved by the adoption of this sixth directive once the Council, following your vote which will simply confirm the earlier request, has also approved it.

We wish to thank the Commission on introducing these new provisions.

The second proposal, the seventh directive, is more complex and requires a few minutes explanation of the confused system of allowances in the free circula-

tion of goods transported by travellers. To clarify the debate I would ask you to remember three essential points. The first concerns passenger travel within the Community whereas the current exemption of ECU 45, the so-called small exemption for travellers coming from third countries remains unchanged.

These should not be confused.

Secondly, contrary to the connection made by several amendments tabled since Thursday, sales on board ships which simply cruise for a few hours outside customs territory are not explicitly affected since a ruling of the Luxembourg Court of Justice has fixed the condition of application of the laws on these operations which henceforward constitute tax frauds since they are not based on any real movement between two Member States. It is therefore a different debate.

Thirdly, it is not a question of promoting the growth in tax free sales to the detriment of fairness and fiscal justice or of defending conditions of privilege.

The measures envisaged by the Commission, far from adversely affecting closer harmonization of taxes within the Communities, is intended to give more time for reflection and therefore contribute to this goal since it is understood — let us be clear on this point — that the final stage of harmonization there will be no further reason for any system of allowances.

Today, however, we are faced with an incoherent system which is inapplicable and totally ineffective in a confused situation which is extremely unjust to certain travellers and immoral in certain respects.

The situation is confused and immoral since seven Member States apply the same exemptions — currently ECU 210 — whatever the origin of the goods, whereas three others are more restrictive where tax-free purchases are concerned but even this is still theoretical since those of you who travel know that, depending on the day, the time and the whim of the official something which is simply a matter of toleration — since there is as yet no precise text on the matter — is in the last analysis applied either with the greatest possible severity or on the other hand without any limit whatsoever in the case of goods purchased in so-called 'tax free' areas.

Finally it is unjust because, depending on where he is travelling the traveller can sometimes make tax free purchases for large sums of money almost without any controls whatsoever, whereas in other places and at other times he can in all good faith find himself in the situation of a tax evader.

In order to re-establish a certain element of justice, more fairness and greater clarity in the system the Committee on Economic and Monetary Affairs feels that the arguments about excessive fiscal tolerance put forward by the Commission to justify limiting to ECU 45 the amount of goods tolerated in inter-Community travel are unacceptable.

Delorozoy

Therefore the ECU 45 allowance for goods purchased at tax free sales points will either not be applied, which perpetuates the anarchic development of transactions of this sort, or if it were applied with vigour would lead to the reintroduction of numerous rigorous and petty controls which would be totally counter to our efforts to promote free circulation in the Community by means of the European passport and the reduction in identity checks.

Let us honestly ask ourselves whether those countries which currently operate a tax exemption which is five times higher will accept such a plan. Certainly not! European public opinion would find such a measure unintelligible. That is the reason why I am asking you — and I address this request to all the political groups in Parliament — to reject the Commission's position by voting for the report which has been submitted to you by the Committee on Economic and Monetary Affairs.

This report has been adopted by our colleague after hearing all the Commission's arguments which, I am sorry to say, are based solely on legal and technocratic quibbling, removed from concrete economic, social and psychological realities.

Having allowed a system of allowances to develop for 20 years and being still unable to regulate the conditions for so-called tax free sales in the Community to then try by a single text to fix henceforward the allowance at ECU 45 is unacceptable to those who have been elected to represent the people of the Member States.

We can only call on the Commission to reconsider its position and to fix a single allowance for the whole Community which is simple and applicable to all goods irrespective of the conditions of purchase which the consumer should be free to choose within, of course, the limits laid down in Article 2 of the sixth directive.

Mr Moorhouse (ED), draftsman of an opinion for the Committee on Transport. — Madam President, the whole so-called duty-free issue with all its ramifications is first of all, and rightly, the responsibility of the Committee on Economic and Monetary Affairs. At the same time, there are some extremely important transport aspects which need to be taken into consideration, particularly for sea transport and air transport. These are the subject of the opinion from the Committee on Transport which I now present as draftsman. The opinion forms the basis for Amendments Nos 6, 7 and 8, to which I shall refer shortly, and which we hope the House will support.

The hard fact, Madam President — and we must not lose sight of it — is that the revenue from duty-free sales, both on ships and in the air, can be of crucial significance to the economics of operation. For instance, duty-free sales at airports within the Community amount to no less than between 25 %

and 50 % of commercial dues and to between 40 % and 70 % of all duty-free sales again within the Community. These figures are a measure of what is at stake, and it follows all too plainly that any shortfall in income from duty-free sales would then probably have to be made good from other sources of finance, such as increased airport taxes, which would not sit easily with our present drive to try and reduce air fares.

I now come to an explanation of Amendment No 6, put forward by the Committee on Transport. The Commission proposal would in principle limit duty-free sales to an amount equal to the value and quantities of the allowances granted to travellers from third countries — I refer to the figure of 45 ECU. In contrast, in 7 Member States of the Community, duty-free sales organized by airlines and shipping companies in airports and ports are currently based on allowances granted to travellers moving between Member States.

The first amendment we put forward, No 6, would bring the Commission proposal into line with the more liberal arrangements currently practised by the majority of Member States. Here I refer to the figure of 210 ECU, that is to say, allowances granted to those travelling within the Community. It should not be forgotten that duty-free sales in the Community's airports represent a substantial percentage of their commercial revenue. Bearing in mind, then, the idea of fixing allowances whose value must increase continually until complete freedom of movement of goods is achieved, it would be necessary, in our view, to maintain the present limit of 210 ECU, starting from 1 January 1984 in line with the corresponding quantitative restriction for duty-free sales, which could be index-linked to the rate of inflation within the Community.

The other amendment — No 7 — concerns the provision laid down in Article 1(b), which is an interesting idea insofar as it apparently does not place any responsibility on the seller for the value and quantity of goods purchased. We are therefore proposing in Amendment No 7 that provision must be made at the point of sale of clearly informing the buyer of the value and quantity of goods that may be purchased free of tax. This, I would submit is an eminently sensible amendment.

Lastly, I come to Amendment No 8. Here we are concerned to highlight the repercussions on airports and on shipping interests if indeed any duty-free cuts were to be imposed. I have in mind the substantial increase in airport taxes which might well result if any action were taken of a serious nature against duty-free sales. I have in mind an increase in airline and shipping fares that could result: also the jobs lost in the sectors concerning. These are, I think, sufficient reasons for explaining why we feel that Amendment No 8 should also be supported.

Mrs Desouches (S). — (*FR*) I shall begin Madam President, by addressing a comment to the Commission. I think it is regrettable that the Commission has simply forwarded to Parliament the text of a directive which only contains the changes envisaged, which is totally unreadable if taken in isolation and which requires a very laborious effort to compare the text and, what is something quite new, the amendments which are equally incomprehensible at first sight. Tomorrow, when we come to vote, we will have the opportunity of appreciating how technical they are and how difficult it is to vote on them. If our parliamentary colleagues are not careful we shall run the risk of ending up at the end of the vote with a totally meaningless text. I think that the Commission could have given us a complete text, underlining, perhaps, passages which had been changed. It would not have been very difficult and would certainly have been much clearer.

I will state clearly my opposition to two precise points in the Commission's proposals. I cannot accept — and I agree with Mr Delorozoy on this point — the limitation of tax free purchases to ECU 45. This figure is far too low; it runs the risk of adversely affecting the income of airports, and my position is in no way ideological on this point, although in the eyes of some it might appear immoral. I am sorry, but I think that this is a source of income for airports. It is therefore a very pragmatic position. I see no reason for asking airports to seek additional funds elsewhere when they already have one which is working very well. I am also hostile to the article in the directive which makes the sellers responsible for control. I regard this responsibility as quite inappropriate to the role of the seller and moreover would obviously be very difficult to implement.

Moreover, Mr Deleorozoy's proposal which he summarizes in a single sentence which only those who really studied the file were, I believe, capable of understanding, or more exactly to understand the consequences seems to me to be equally unsatisfactory. In fact I do not think that the right answer is to apply the same ceiling to goods bought tax-free and to those on who purchase all taxes have been paid, since although in the interests of efficiency I am against the total disappearance of tax-free shops, I have no wish to promote them but simply maintain them within their rights and within acceptable limits. Since the Commission intends, correctly, as I believe, to increase progressively the ceiling for tax-paid purchases, under the system proposed by the rapporteur this ceiling would tend to increase in the same way for tax-free sales right up to ECU 400, which is something I do not regard as acceptable. Moreover, I think it is dangerous to confuse what I would call a normal purchase in a shop in a Community country and, a tax-free purchase which is by its very nature an unusual purchase.

For that reason, with other Members and other political groups, I propose quite simply that we accept the

Commission's proposals in the case of goods purchased under normal tax conditions in Community countries and gradually to increase this ceiling. However, at the same time I would ask you to fix the ceiling for tax free purchases at ECU 210 for adults and ECU 60 for those under 15 years of age, as is currently the case. Finally, I would like to see the vendor's responsibility rejected, while at the same time calling — as Mr Moorhouse has just said — for more information for the purchaser.

Mr von Wogau (PPE). — (*DE*) Madam President, colleagues: The present proposals from the Commission and Mr Delorozoy's report are important steps along the road to a Europe of the people. The Council on the Internal Market which took place in the shadow of the Athens Summit is a sign that, despite the difficult situation in the Community it is actually possible to make progress in this field. We must be clear about one thing though: it is the practical things that are noticed by the man in the street and he judges us not by the greatness of our ideas or by our good intentions but by the practical results which we achieve or do not achieve for him. For this reason the increase of the tax free allowances is very important for the European idea.

As a result of a decision of the Council of Ministers we shall introduce the European passport into all the countries of the Community over the next few years. As part of this it will become easier to cross the internal frontiers of the Community. As part of this there will be preferential clearance for citizens of the European Community at internal frontiers. As part of this organizational procedures will be adopted to reduce waiting times at internal frontiers, as a transitional measure. The increase of the tax free allowances in intra-Community trade is also an important instrument in this.

We welcome the idea that the duty-free amounts should be increased gradually to 400 ECU in accordance with a wish expressed by the European Parliament. We also welcome the proposals for raising the quantitative tax-free allowances for coffee, tea and wine, these too are important steps towards a Europe free of internal barriers.

Nevertheless this is basically a debate about two questions, since we are also dealing with the question of tax-free shops and, as a result of motions for amendments, with the question of the 'butter ships'. At this point we must be careful of one thing. We must preserve the conditions of competition for the retail trade which does not have privileges of this kind so that fair competition is preserved for these businesses which might lose sales. We must also be careful that any action is in line with the verdicts of the European Court of Justice.

But — and this is the opinion of the majority in my group — we should also consider whether we should now deprive the citizens of Europe of the small advan-

von Wogau

tages of being 'outside Europe' whilst simultaneously retaining for him the advantages of a real Europe free of barriers. We should also consider — we ask the Commission to examine the legal implications very closely once more — whether it might be possible to find a solution which would put the existing conditions, which are perfectly adequate, on a solid foundation which would not extend any further than it does now, but which on the other hand would at the same time prevent the elimination of perfectly adequate conditions.

Mr Moreland (ED). — Madam President, first of all I wish to congratulate both the rapporteur on his excellent report, which in general my group supports, and the Commission on the Seventh Directive in as much as I think the important issue tonight really is the establishment of the legal basis for duty-free sales. There may well be purist arguments based on the internal market, which says that the duty-free shop should not really exist in a common market, but the travelling public — indeed, the public in the Community as a whole — likes duty-free shops and there is a strong feeling that we must maintain them. Therefore I am glad we are establishing the legal basis tonight.

I suppose we could say that, after four years of being Members of the European Parliament, we ought to be experts ourselves in this facility; I suspect a large number of us regularly make use of it. I think, in fact, that Mrs Desouches was right when she said that there is some confusion between duty-free and duty-paid transactions: if the Commission were to go through the Sixth Directive, it would find that on at least one occasion it had used the wrong phrase.

My particular concern about the Sixth Directive is the emphasis on wine. Why is the Commission not covering here the whole range of alcoholic beverages? We are obviously not talking tonight about anything to do with the CAP: we are talking about the internal market. I would have thought that you cannot, as the Sixth Directive seems to, talk specifically and only about wine. It is very important that the clauses relating to wine be converted to clauses covering alcoholic beverages, because, obviously, when one is talking about duty-free sales, whisky, brandy, gin and liqueurs must also come into the picture. That is the reason for my amendment.

I must also stress that I think we could be a little more generous. My colleague Mr Provan has put down amendments covering all the range of alcoholic beverages, while I have actually gone further. I think one ought to be able to take across a Member State a sensible quantity, which is a case of wine. Why not? If I may conclude on that note, let us remember that we are coming up to Christmas. Why cannot the Commission, the rapporteur and every Member of this Parliament agree that the sensible, logical quantity is a case of wine and, with the other alcoholic beverages, the equivalent amounts in alcoholic content. I hope the Parliament will support that.

Mr Irmer (L). — (DE) I asked to speak because I want to urge you to vote for motions for amendments Nos 30 and 31 — No 30 was tabled by myself and my colleague Mr Walter and No 31 by Mr Rogalla. The rapporteur Mr Delorozoy is quite right: if his report were adopted as it stands it would mean that the butter ships would no longer be allowed to operate. But if our motions for amendments were rejected there would in future be no legal foundation — just as there is not at present — for the continued operation of these ships.

What objection is there in fact to including these excursions among the exclusions? Basically there can be no objection to it, certainly not Community interests, since it is only Member States who are being asked not to levy certain taxes. These are primarily excise duties and, as long as they are not harmonized and placed on a European footing, these are national taxes. This includes value added tax — the Community does of course have some interest in this because of its share in value added tax, but its interest must be very small.

The Member States on the other hand probably have a very strong interest in facilitating these exclusions because from a purely fiscal point of view the little bit of tax revenue that they do lose is very adequately compensated for by the amounts which they would have to pay the unemployed or by what they would lose in other forms of tax revenue. You know all this and I can show you the details.

The essential point in this matter is that jobs are involved, and I speak here not only for myself but also for many thousands of compatriots, especially in Schleswig-Holstein, Mr Narjes' home, and along the North Sea coast of Lower Saxony, who make a living from the excursions and who are afraid of losing their jobs if these motions for amendments are not adopted. Let me give you just a few figures. According to information supplied by the Ministry of the Economy for that area, approximately 130 ships, that alone is almost 3 000 jobs, are affected in Schleswig-Holstein alone. Add to this the supplier firms, the bus companies, the people providing accommodation and the retailers. Let us not underestimate this.

I should like to take up Mr von Wogau's point. He quite rightly asks why we want to deprive these people, the pensioners, the housewives, the low income groups in the population, of the pleasure of being able to go on a cruise cheaply any day they like. We shall bring Europe into disrepute if we abolish this purely for the sake of a principle, particularly in the year before the elections. Consider the consequences.

Essentially, however we are concerned with jobs. There are long debates, we hold special sittings, on the problem of unemployment. Of course there are no millions involved, and it will not solve the unemployment problem. But in two votes tomorrow we can achieve what we are unable to achieve in special sittings and by all our proposals. By means of two

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motions for amendments we can save approximately ten thousand existing and well-functioning jobs. I hope that you will use your vote twice tomorrow for this purpose.

Mr Rogalla (S). — (DE) Madam President, I shall follow Mr Moreland's suggestion here and now and give notice that I shall send you a case of wine for Christmas as a kind of penance for the hasty way I asked why Mr Morehouse should be allowed to speak now. I think we should continue in the same humanistic vein, even if the television cameras are no longer in the House, and ensure that sensible solutions are found.

I am speaking now for myself and for several of my colleagues in my group, particularly Mr von der Vring, Mr Walter, Mr Kleinkenberg and Mr Seeler who all have constituencies on the coast and are completely unable to understand — I confine myself to the Seventh Directive — why a tradition should be cut away in the name of so-called principles and justice thus putting many jobs in jeopardy. Let me add to the information which my colleague Mr Irmer has just given by saying that over the last few years almost DM 50 million have been invested in the construction of new ships of this type and that it is a nonsense for us to concern ourselves with it here and to deprive someone of their livelihood without a sound legal foundation.

Undoubtedly someone will refer to the judgement of the European Court of Justice in Case No 158/80 of 7 July 1980. I can only reply that this judgment was passed because the Parliament lacked foresight when it could have provided a legal foundation in Regulation 169/69, just as we are trying to do for tax-free shops now. If we provide a legal foundation for the tax-free shops we must provide a legal basis for these excursions in the same breath and that is the purpose of the motion which I have laid before you.

There are three elements — there are land, sea and air ways. How can we justify our particular encouragement of land travel and the movement of our citizens by means of duty-free allowances. It is my opinion that we do not in fact need any tax-free allowances, that we could go much further than the present proposals, that we could give all the citizens of the Community the right to take goods with them at any time regardless of any economic consequences — please note: within the Community — without anyone having to check any tax-free allowance. Nothing would happen in the Community, there would be no economic disruption, everything would be in the proper order; but if we do not do this, if we only want to proceed gradually: then let us proceed gradually and with justice and treat land travel in the same way as air and sea travel, excursions or no.

How can we face the public if we allow the privileged business traveller, the 'gentleman', to continue to

acquire unlimited amounts of fine goods tax free while the housewives and pensioners are precluded from doing so!

In conclusion I should like to ask the Commission to take another look at this matter, as if it does not take account of these motions we shall once more have to hold inter-group discussions as to how the matter should be dealt with.

Mr von Hassel (EPP). — (DE) Madam President, a great deal of good sense has been spoken on the subject which I should like to go into a little further, namely the 'butter cruises' as they are called. First of all, however, I should like to thank the rapporteur for his report and for undertaking to find a solution to a problem which has occupied us in the European Parliament for some years. I am convinced that when we vote on it the day after tomorrow we shall find that the majority are in favour of it. The rapporteur thought it was now no longer possible to abolish these tax-free shops as the authorities have allowed them to grow to their present extent. Abolition would have considerable economic, social and psychological consequences and would not benefit Europe in any way.

My colleague, Mr Irmer, has already dealt with the economic problems. He has mentioned how many jobs, how many ships, buses and businesses depend on them, how much is paid out in wages and how many people make use of these butter cruises. There are ten million a year. Look where these ships sail! They sail along the frontiers, along the coasts, in the weaker areas, the areas at the edges of the Community. And it is a principle of the Community that regional policy should be used to strengthen these fringe areas.

What is happening in the German coastal *Länder* is regional policy in practice. I am only sorry — and it would probably simplify things somewhat — that nothing similar is happening in Great Britain or along the other sea frontiers of the Community.

Moreover we also have to consider a social component. There are hundreds of thousands of pensioners, of the under-privileged in our society, who regularly go on cruises of this kind and who travel for one or two days, people from Berlin for instance, who journey to the sea in their thousands so that they too can make use of this facility.

Thirdly, the rapporteur refers to the psychological aspect. These cruises have existed since around 1950, the broad outlines were in fact under discussion here, there was talk of the Schuman plan, Europe was still a long way in the future. Since then ten million people have made use of this opportunity. It started then in the days of the incipient, the developing Europe, which we are trying to bring nearer to our constituents — Mr Rogalla has just referred to this — by putting human beings at the forefront of our

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European task. These people say — and this is the psychological aspect — when there was no Europe we were able to enjoy these cruises. Now that Europe exists it is being stopped. This is a funny kind of Europe!

This then is the verdict of ten million people who are no longer able to enjoy this opportunity. This is why it seems to me that the citizens of Europe, who we want to realize that they have to vote in the next election, to whom we wish to demonstrate the real meaning of Europe, as Mr von Wogau said, must be able to see from the opportunities which are available to them whether Europe is a good thing or not. For this reason I would urge the Commission to reconsider whether, as the rapporteur said just now at the end of his explanatory statement, it should really only be guided by the legal aspect instead of by economic, social and psychological necessity.

As Mr Rogalla said, it is not enough to refer to a judgment. A legal judgment refers to the actual legal position at the time. The legal position is created by men. We can therefore change it and develop it further. It is for this reason that I urge the Commission most strongly to consider these things once more. I ask my British colleagues to consider that hundreds of thousands of bottles of Scotch whisky which would otherwise be surplus are disposed of on these butter cruises. Perhaps this will make it easier for you to vote the day after tomorrow.

Mr Hopper (ED). — Mr President, I am afraid I am one of the purists to whom Mr Moreland alluded, that is to say a purist in favour of competition. My group's position is already clear and it is that the group favours both the directive and the Delorozoy reports. It does so for two reasons, one is that the British public, and I believe the public in all Member States, is in favour of duty-free shops. The second, as Mr Delorozoy has so eloquently said, is that there is considerable confusion in the arrangements surrounding these shops and the directives, as amended by Mr Delorozoy, will tidy up that confusion.

My own position is somewhat different from my group's. I think we have to look at these shops in their economic context. They are licensed and localized monopolies, but monopolies operating on a gigantic scale. As other speakers have made clear, the turnover in these shops is very great and they have all the economic faults of monopolies. First of all, there is a very large monopoly profit. Now note that the concessionaires of these shops take no commercial risk whatsoever. Yet their turnover is enormous and their profit margins are not fixed in any market place because there is no competition. They are fixed by administrative fiat.

One of the concessionaires of a chain of duty-free shops in my own country, in an indiscreet moment,

described his shops as a licence to print money. I do not believe that it is the function of the State in a capitalist society or even in a socialist society to award licences to print money to people who take no risk.

We also have to look at the economic effect of these shops upon the operation of airlines and airports where their effect is to distort. Take the County of Lancashire: it is served by two airports, Liverpool and Manchester, Manchester has a duty-free shop, Liverpool does not.

The result is that there is a built-in, substantial income for Manchester which Liverpool does not possess and which gives Manchester a very large competitive advantage in looking for traffic. The problem with Liverpool is that it is not big enough to merit the award of a duty-free shop by Her Majesty's Customs and Excise, but as the operators of Liverpool will tell you, they cannot grow any bigger because the customers will not go to Liverpool Airport, because it does not have a duty-free shop. In other words, there is a totally insoluble problem.

But the matter extends far beyond the bounds of Lancashire. Let me give you another, more important example. We all know that the profits of the duty-free shops at Heathrow are enormous. They are measured in tens of millions of pounds every year. It is also a fact that our great national white elephant, Stansted Airport, the airport that nobody wants, is subsidized entirely out of the duty-free shops' profits at Heathrow. Stansted can therefore offer exceptionally low landing charges to aircraft from all over the world and it does so in competition with airports like Manchester. In other words, the entire operation of airports in the United Kingdom is distorted by duty-free shops.

I believe that we must look at them in this economic context. Indeed, we have to look at the operation of airports along with the operation of airlines. This parliament has addressed itself to the problem of airlines, to the totally irrational organization of airlines in Western Europe; it should also address itself to the totally irrational organization of airports and duty-free shops.

Let me conclude by explaining my own principal amendment. When duty-free shops were first launched twenty years ago they were literally that. They were duty-free. You went into the shop and you bought the whisky at its retail price less the tax. But the monopolists discovered that they could clawback part of the profit. I have here in front of me a study of duty-free shops in the European Community. It shows the extent to which the tax is clawed back by the concessionaire. In some cases, it is clawed back by as much as 70%; in others by 30%. There is no rhyme or reason to this. My amendment says that duty-free

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shops should only be accorded this extraordinary privilege if at least 75 % of the tax saving is passed on to the consumer. I believe that this is fair to the consumer. I also believe that it will greatly reduce the abuses arising from this institution.

Mr Narjes, Member of the Commission — (DE) Firstly I should like to thank all the speakers for the stimulating way in which they have shown the breadth of this topic: on the one hand we have the request to the Commission to brush aside all legal considerations and to act with a generosity which is uncustomary in fiscal matters, because it is Christmas, and on the other we have Mr Hopper's clear-headed approach which calls on economic expediency and the necessity of acting justly.

This is all the more reason to thank the rapporteur most sincerely for carrying out the difficult task of compiling from this wealth of views a report which provides a valid basis for debate and voting and which also shows how a complex matter can become even more complex in the light of deeply-held views.

There is not, I think, a single Member State in which the subject of excise duties and customs law is not enormously complicated. It is inherent in the subject matter and it is inevitable at European level because the differing situations in the ten Member States have to be taken into account. It is precisely for this reason that I feel bound to explain once more the basis of the Commission proposals.

At present Directive No 169 provides for two kinds of exemption, one based on value and the other quantitative ones for goods subject to excise duty. The amount of the exemption depends on whether the goods are imported from another Member State or from a third country. Under the exemption based on value travellers may at the moment import goods to a value not exceeding 210 ECU, if they have been purchased tax paid in a normal sales outlet in another Member State.

In the case of goods from third countries the tax-free limit is 45 ECU irrespective of whether tax was paid on the goods or not. In the case of goods subject to excise duty these tax-free limits are 1.5 litres or 1 litre of spirits, 300 or 200 cigarettes, 4 or 2 litres of wine, to name just the main groups. The Commission would consider the ideal solution to be for all limitations on the import of goods from other Member States to be lifted as this would be a tangible and equitable consequence of a real common market. Since such a solution is not possible yet however, we propose to increase the tax-free values and quantities gradually.

This is the main objective of the Sixth Directive. Which, if I understand correctly, has encountered no opposition so far and which would double the tax-free value over four years and increase the tax-free quanti-

ties. The aim of the Seventh Directive is to regularize the status of the duty-free shops. Since goods can be bought free of tax in these shops it is not so easy to justify high exemption limits as with the continuously increasing exemption limits for goods on which tax has been paid. This is why the Commission has proposed that the tax-free values and quantities for goods bought by travellers in duty-free shops within the Community should be set in exactly the same way as the exemption limits which apply to travellers from third countries.

The proposal for a Sixth Directive on tax exemptions provides that the tax exemptions based on value are to be increased gradually, the maximum quantities for wine increased and the maximum quantities for tea and coffee gradually abolished completely. These proposals accord with the views expressed by Parliament on more than one occasion.

Nevertheless I am very pleased that, with the exception of two motions for amendments, the Committee on Economic and Monetary Affairs has confirmed its agreement with these proposals. The first of these motions could, regrettably, be based on a misunderstanding. The proposed addition to Article 4 of the basic Directive is in no way connected with the question of duty-free shops and is intended only to clarify the present situation by reconciling Article 4 and Article 2. It is therefore only a clarification of the logic and neither alters the substance of the existing rule nor attempts to anticipate the proposals contained in the draft of the Seventh Directive. I hope therefore that you will re-examine this motion for an amendment and withdraw it.

The Commission is able however to accept the second motion for an amendment tabled by the Committee on Economic and Monetary Affairs which would replace the words '0.7 to 1 litre' by the words 'to a total of 1 litre.' Duty-free sales in particular are the object of the proposal for a seventh directive. This question has become a subject of considerable debate recently and as you know was the occasion of an appeal to the European Court of Justice.

The present Community regulations are not exactly a model of precision and clarity. We admit this quite freely. There is doubt particularly about the correct interpretation of the provisions relating to sales in duty-free shops at airports and on board ships. Moreover the extent of the tax exemption granted in individual Member States is not uniform because some Member States give the same exemption for tax-free goods as for goods obtained tax-paid, whilst others confine the exemption to the values and quantities laid down for imports from third countries.

It was against this background that the Commission considered it necessary to draw up precise uniform rules for duty-free sales and it is this which is the object of the seventh directive. The Committee on

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Economic and Monetary Affairs has endorsed this aim by passing Mr Delorozoy's report. Nevertheless it was unable to accept our proposal that the exemption for goods acquired tax-free be limited to the values and quantities laid down for imports by travellers from third countries.

Instead of that the Committee supported the view that there no distinction should be made between goods obtained tax-free and those obtained tax-paid, thereby eliminating the problem of additional controls on entry.

In the opinion of the Commission goods on which normal taxes have been paid cannot be treated in the same way as goods on which no tax has been paid. Our whole approach to tax exemption, the very aim of a uniform internal market, implies that goods on which taxes have been paid in one Member State may move freely within the Community thus confining instances of non-taxation and double taxation to a minimum.

Therefore if it is possible for goods to be obtained tax-free in one Member State for importation into another the same exemption limits should apply in this case as apply in other cases where goods are imported tax-free from third countries. I admit that the exemption limits for third countries are relatively low. This applies particularly to the exemption of 45 ECU, whereas the exemption for intra-Community travel is 210 ECU. I can however confirm that the Commission intends to propose increases and to restore a reasonable relationship between the exemption limits applicable to third countries and those applicable to travel within the Community and then to preserve that ratio. This approximates to the idea expressed by the representative of the socialist group but with different figures.

I should now like to say a few words on two other aspects of the seventh directive which have aroused particular concern.

By this I mean, firstly, the proposed addition of a paragraph (8) in Article 6 of Directive No 169 which would introduce the principle of checks by the vendor. The Commission agrees with Parliament's view that checks on entry should be kept to the minimum and we have therefore concentrated on measures which would be applied on departure.

The question of how these checks can best be carried out and what responsibility might possibly be placed on the vendor is one which merits discussion. It is in fact only a short step from the principle of 'caveat emptor' to incitement to contravene Customs regulations or to assisting someone to contravene them. In the light of this debate and in view of your advice the Commission will consider whether it is these arrangements or some others which should be proposed.

At this point may I perhaps say a few words concerning motions 30 and 31 which were referred to in three speeches. While I fully understand the motives of the movers of the motions, as they have implied, may I point out that the Commission feels that at the moment it is not in a position to take a positive stance on these motions. That would require a detailed study of their compatibility with the verdict of the European Court of Justice.

Furthermore the Commission has been advised that it is not clear whether the exempt quantities are contained in the exempt value of 45 ECU or whether they should be granted additionally. These two exemption limits are always interpreted and applied as being independent of each other, but perhaps we shall be able to express this more clearly in our draft.

The rapporteur had some hard words to say on some technocratic aspects of these rules. I quite understand this and I quite understand his displeasure, but is his displeasure perhaps really directed towards the fact that even after 25 years of existence the Community has still not got anywhere with the harmonization of excise duties or the approximation of value added taxes? I think this is the real reason which compels us to discuss rules of this type in detail here.

In conclusion may I once again thank the rapporteur, the speakers and the Committee for their work on this complex matter.

President. — The debate is closed.

The vote will be taken at the next voting time.

(The sitting was closed at 11.40 p.m.)¹

¹ Agenda for next sitting: see Minutes.

*ANNEX**Votes*

The Report of Proceedings records in an annex the rapporteur's position on the various amendments as well as explanations of vote. For details of the voting the reader is referred to the Minutes of the sitting.

GLINNE MOTION FOR A RESOLUTION (DOC. 1-1178/83/REV. — ATHENS SUMMIT): ADOPTED

* * *

DE LA MALENE MOTION FOR A RESOLUTION (DOC. 1-1182/83 — ATHENS EUROPEAN COUNCIL): REJECTED

SITTING OF WEDNESDAY, 14 DECEMBER 1983

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IN THE CHAIR : MR MØLLER

Vice-President

(The sitting was opened at 9 a.m.)

1. *Approval of the Minutes*

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

Are there any comments ?

Mr Pearce (ED). — I wish to comment on the reference to my name in the section of the minutes on Question Time. The minutes indicate that I spoke on the conduct of Question Time. Mr President, I did more than speak on it ; I protested vigorously about a substantial breach of the rules by the Bureau. What happened was this : Question No 3 was in my name. The President decided to take Question No 1 and then to take an oral question with debate that had been converted into a question for Question Time, then Question No 8, and then Question No 3. Now I received no information about this. Rule 44(2) says that Members should be informed of the order of the questions. The insertion of that question was not indicated in the agenda for the day ; it was not in the order of questions on the question paper. I was not informed of this personally in writing, and I was not informed of this in the group, although apparently there was some discussion that the matter would be put on the list of urgencies. So there was a wholesale breach of procedures there, Mr President.

Moreover, whether I was informed or not, this breaks the agreement made about two months ago in the Bureau that questions would be taken in the order in which they are submitted. This is not just a procedural nicety, Mr President. It is intended to stop the Bureau cooking the list of questions to suit the convenience of the Commission or the Council, or whomever they are being addressed to. This is what was going on on a large scale. We have stopped it, and now either the Bureau, at its meeting on Monday morning, or the occupant of your chair last night decided to go back on that agreement and to break the rules of this Parliament. I urge that that should not be allowed to happen again. I ask you to refer the matter to the Bureau and I would appreciate having a comment, in writing, as to the Bureau's consideration of this matter, in due course.

President. — Mr Pearce, your comments will be conveyed to the Bureau, which will take a decision. With regard to yesterday's Minutes your comments will be taken into account. The Report of Proceedings will record the fact that you had comments to make on the Minutes and will set out your views on the matter in question.

Mr Delorozoy (L). — *(FR)* Mr President, in his speech during the debate last evening, Mr Irmer took the precaution of stressing that he was speaking in a personal capacity.

Despite this, I find this morning that he is reported, on page 17 of the Minutes, as having spoken on behalf of the Liberal and Democratic Group. I ask that the record be set straight.

President. — Mr Delorozoy, your remarks will appear in the Report of Proceedings and a correction will be made to the Minutes.

(The Minutes were approved)

2. *Transport infrastructure*

President. — The next item is the report (Doc. 1-979/83) by Mr Baudis, on behalf of the Committee on Transport, on

the proposal from the Commission to the Council (Doc. 1-648/83-COM(83) 474 final) for a regulation on financial support for a multiannual transport infrastructure programme.

Mr Baudis (PPE), rapporteur. — *(FR)* Mr President, ladies and gentlemen, infrastructure policy, in common with transport market policy, is one of the cornerstones on which the common transport policy repeatedly called for by this Parliament should be built. However, there is a fundamental difference between the two in that, whereas Community measures concerned with the transport market can often lead to increases in productivity at no public cost, the substantial productivity gains derived from improvements in infrastructures can be achieved only by dint of massive capital expenditure. It is accordingly clear that the European Parliament has a crucial role to play, by virtue of its budgetary powers, especially in regard to non-compulsory expenditure, in the development of the common policy on transport infrastructures.

The most effective instrument available to the Communities for the purposes of adding a European dimension to the planning of transport infrastructures is the granting of financial support for projects whose usefulness to the Community as a whole is greater than their usefulness to the individual Member States which might normally be expected to carry them out.

It is thanks to Parliament's initiatives and the tenacity of our chairman, Mr Seefeld, that his policy has at last been translated into concrete measures, this very year. In its 1984 draft, the Council has allocated considerable sums. What now needs to be done is to establish a solid legal basis for the provision of financial support for projects of Community interest, since a proposal from the Commission for a basic regulation has been in the Council's hands for over seven years,

Baudis

but has yet to bear fruit. Pending adoption of this regulation, therefore, the Committee on Transport has voted in favour of the Commission's proposals for an intermediate regulation concerning a multiannual transport infrastructure programme, subject to a few amendments.

I should point out that both the Committee on Transport and the Council have stressed that this consultation must be completed during this part-session. The reason for this urgency is that the Commission's proposal also contains the legal basis which will enable the Commission to allocate the amounts entered in the budget to specific projects before the end of the budgetary year.

The Committee on Transport has submitted amendments to you, and I shall therefore confine myself to a gloss based on three key ideas.

First, assessment of the degree to which projects submitted are of interest to the Community is itself a political act. It must therefore be guided by uniform criteria arrived at on the basis of a cost-benefit analysis and applied uniformly to all projects. Secondly, since the Commission intends, in the interests of clarity, that in normal cases a limit should be applied to the financial support granted to projects selected, this should be stated in the regulation. Similarly, a limit needs to be specified for cases in which individual projects attract various forms of financial contribution from the Community. Thirdly, it is vital to avoid a legal vacuum after expiry of the multiannual programme, and the Council must therefore undertake to adopt the basic regulation which the European Parliament has been demanding for years, and to do so in good time, which would be one year before expiry of the multiannual programme.

The Committee on Transport did not see fit to amend the two lists of projects contained in Article 11, paragraphs 1 and 2, of the Commission's proposal.

Finally, we found that the criteria for assessment currently available could be accepted, subject to one minor reservation: when making the final choice of projects to receive financial support from the Community, the Commission should ensure — and the Committee on Transport is insistent on this — that it concentrates available resources on projects which might not be carried out at all without such a contribution. If the Commission adheres to this guideline, we can rest assured that Community budget appropriations will provide the best means of improving transport infrastructures.

In conclusion, I therefore invite you, ladies and gentlemen, to vote for the amendments tabled by the Committee on Transport and for the motion for a resolution contained in my report.

(Applause)

Mr Klinkenberg (S). — *(DE)* Mr President, ladies and gentlemen, I should just like to make three short comments on the Baudis report. The Committee on Transport and the European Parliament have consistently urged the Council of Ministers to adopt the basic regulation. After all, a European transport policy is more than overdue after 25 years. The Committee on Transport and the European Parliament have always agreed that an orderly and sensible transport system is an urgent necessity for an integrated European Community.

There is no reason why we should now deviate from this point of view. We urge the Council of Ministers to instruct the appropriate authorities accordingly and to give serious consideration to the future of European railways in competition with road traffic and waterways. Discussion in the Committee on Transport and the European Parliament of the question of eliminating bottlenecks has led to the inescapable conclusion that there will be no progress until the basic regulation is adopted. It is therefore essential that the Council of Ministers reach a decision.

Several structural programmes are involved, including an agricultural structures project. We develop farming in certain areas, and then leave it to the farmers to market their produce, heavily subsidized from European Community funds, as best they can. This is ridiculous. Either Community policy is coherent and logical, or we might as well give up. There is no alternative. We Socialists wish to urge the Council of Ministers yet again to adopt the basic regulation, so that progress can be made in European transport policy.

Mr Moorhouse (ED). — Mr President, there is a certain sense in which this important proposal by the Commission and the valuable report by Mr Baudis have come to us at a particularly opportune time, as Mr Klinkenberg was implying just now, for this report reaches us hard on the heels of the failure of the summit meeting at Athens. I say this because the Commission's proposal for a Council regulation on financial support for a multiannual transport infrastructure programme is precisely the sort of activity the Community should be supporting and developing. On the other hand, unless we can really reform the common agricultural policy and appreciably curb farm spending, we shall not have the necessary resources in hand for the other activities we desire so much, such as transport, energy, industry, urban regeneration, to name but a few.

This group welcomes both the proposal and Mr Baudis's reaction to it. Both are the culmination of a tremendous amount of hard work, really prodigious effort, by both the Commission — not only over the past few years but as long as, perhaps, 25 years — and the Committee on Transport. It has been a long, long haul, but I do believe there is now increasing recogni-

Moorhouse

tion of the fact that support for transport infrastructure projects of a Community character is the very touchstone of economic revival, further development of the internal market and a prosperous Community — the backbone of future economic prosperity, one might well say.

I am particularly gratified that our colleagues on the Committee on Budgets — and I am thinking here especially of Mr Lange, the chairman — equally recognize this need and have sustained the strenuous efforts of the Committee on Transport to make headway in this field. It is only regrettable that not all the Transport Ministers feel themselves equally committed to the development of a common transport policy. Yet, I do not doubt that happy day will dawn.

Up to now in transport, as Mr Baudis has indicated, we have been living like beggars by mini-regulation, eking out our existence from year to year. Now we face the giddy prospect — and surely it will not be denied to us by the Council of Transport Ministers at their next meeting on 20 December — of a programme that will remain in force until 31 December 1987 and not merely 1984 — 1987, to think of that! But of course it makes good sense: just as Rome was not built in a day, so Europe cannot be built by mini-regulation. We need at least a few years at a stretch in which to demonstrate by this proposed experimental programme that transport on a European scale is the essential ingredient in developing a thriving European home market and thereby a prosperous European environment and Community. We beg to support.

Mr M. Martin (COM). — (FR) Mr President, the crisis in Europe's institutional machinery, especially where the Community budget is concerned, clearly demonstrates the bankruptcy of integration strategies based on wishful thinking.

It follows that the need for cooperation centred on realistic projects is all the greater. In these circumstances, the French Communists and Allies fully appreciate the importance of proposals for the development of transport infrastructures supported by Community finance.

While sharing their colleagues' disappointment at the lack of a long-term instrument to provide a basis for a consistent pattern of operations in this field, the French Communists and Allies are appreciative of the Commission's persevering efforts to overcome this handicap by bringing forward a series of *ad hoc* proposals. As I had occasion to stress during Parliament's examination of the experimental programme in the field of infrastructures, this is a field in which it is possible to make progress towards a common transport policy taking account of national circumstances. In view of this, we are favourably disposed towards the new proposal for the granting of financial support in the framework of a multiannual programme.

It is quite clear, in the light of the Community's need to modernize existing infrastructures and create new infrastructures, that there is a requirement for a long-term programme of projects backed by stable financing machinery.

In this connection, I have my misgivings about financing relying exclusively on the Community budget. Experience has shown what a long time it takes to secure significant budget appropriations for the purposes of infrastructure projects, and there is therefore an obvious case for setting up arrangements under which several sources of finance can be called upon. Indeed, it is to the credit of the proposal submitted to us that it calls for the immediate creation of an instrument which comes close to our idea of what is necessary in the way of a fund.

We support the essentials of the motion for a resolution contained in the report by our colleague Mr Baudis, although with a number of reservations. For instance, we are disappointed that it does not stress the desirability of extra-budgetary financing, since new arrangements are called for in the light of the modest level of appropriations to date.

We also find it implausible to expect an instrument for assessing Community interest to provide an adequate basis for selection from a field of projects vying with one another for financial support. The current situation, with each of our countries having its own ideal conception of the Community interest, is evidence enough of how unrealistic such a scheme is. Nevertheless, our prime concern is to adopt a constructive attitude, and we shall therefore be supporting the report by our colleague Mr Baudis.

Mrs von Alemann (L). — (DE) Mr President, I am unable to recall exactly how many times this House has discussed infrastructure investment. Nevertheless, this report, on which I would like to congratulate the rapporteur, was necessary, because, as in all other areas, the Council has again failed to reach a decision on the basic regulation on Community support for transport infrastructure projects, a decision which is essential as the legal basis for the use of funds. The suggestion that this regulation be achieved via a multi-annual experimental programme is only acceptable as a compromise for a transitional period until the Council has adopted the requisite basic regulation.

We Members of the Liberal and Democratic Group welcome the fact that the rapporteur urges the Council to include in their programme of financial support transport infrastructure projects in third countries which benefit the Community. Attention should also be given to the method used to evaluate the importance for the Community of infrastructure projects. The rapporteur stresses the need for objective cost-benefit analysis to determine the benefit to the Community. I disagree with Mr Martin, when he says

von Alemann

that we cannot define this at Community level. I believe that we must try, otherwise we will never arrive at Community criteria.

Finally, on behalf of the Liberal and Democratic Group, I would like to say that we intend to support the motion for a resolution. We also call on the Council, which so far has failed to act, or has perhaps been unable to act, to pull itself together and to stop blocking a Community transport policy.

Mr Gontikas (PPE). — *(GR)* Mr President, I request your permission to refer to the Minutes, because earlier I did not have time to speak on a matter that features both in the Minutes and in the Greek-language Bulletin issued by Parliament. There is an error in the text of the resolution we voted upon yesterday, because Resolution 1183 by Mr Glinne appears differently in the Minutes and in the Greek edition entitled 'Today's part-session'. Would the Presidency please take note, even though this does not relate directly to you, Mr President, that I protest because the Greek edition of the Bulletin keeps constantly and systematically making errors in reporting Parliament's decision. In yesterday's resolution there was no paragraph stating that the Greek Government had been commended.

President. — Mr Gontikas, I must point out to you that the Minutes of Parliament have already been approved. Members who were not present cannot subsequently come along and ask for the Minutes to be rewritten. Your remarks will, however, be recorded in the verbatim report of today's proceedings.

Mr Gontikas (PPE). — *(GR)* Mr President, there is no question of correcting the Minutes, which do not contain any errors. My protest and my remarks concern the systematic falsification of the Greek language edition of the Bulletin that gives information about the sittings of this Parliament.

President. — Mr Gontikas, all that we can do is to take note of your remarks, in the hope that the Members will read them in the report of today's proceedings.

Mrs Scamaroni (DEP). — *(FR)* Mr President, ladies and gentlemen, I should like first of all to draw attention to the quite exceptional quality of the report drawn up for us by Mr Baudis.

With an issue of such importance, in which a systematic approach is essential in order to deal with the complexity of situations and diversity of problems, we were relying on our rapporteur for a clear analysis and concrete proposals. The degree to which he has succeeded in discharging his task with competence, realism and clarity cannot be overstated.

Through Mr Baudis's report, the Committee on Transport supports the proposal for a transport infrastruc-

ture programme and reiterates the need — of which we must all be convinced by now — for economic convergence between Member States, which is one of the most important fundamental objectives of the Treaty of Rome. From this point of view, we find the Commission's proposal appropriate.

As is stated forcefully in the Baudis report, we considered it important and indeed essential — we were particularly aware of this — that each project should be the subject of a cost-benefit analysis based on objective criteria.

It is too often the case that no thorough analysis is carried out prior to a project; this leads to financial or economic shortcomings which are detrimental to the general interest and to the usefulness of the project. Moreover, such projects, if they are to be viable, must take account of evaluation criteria relevant to the real circumstances, so that they must envisage a time-scale of several years.

Finally, the Commission appears to be supporting a number of projects. We are particularly keen on two of these: the plans for modernization of the Mulhouse-Nord railway junction during 1984 and the Commission's support for improvements on the inland waterway link between France and Belgium.

At all events, our group is happy to be able to support this excellent report, which is especially pertinent in the current economic conditions.

Mr Loo (S). — *(FR)* Mr President, ladies and gentlemen, I should first of all like to say how pleased I am about the number of reports being produced by one of our most important committees, the Committee on Transport. Today we are debating a few of them which will, I am convinced, be adopted unanimously. The Committee on Transport is headed by an active, dynamic chairman who loses no opportunity to draw attention to problems in the area of transport by sea, air, road, inland waterway etc., which are of vital interest but are occasionally overlooked by the House.

I should like to take this opportunity to congratulate my admirable colleague and friend, Mr Baudis, on the excellent report that he has presented to us. In the unanimous view of the Committee on Transport, the proposed financial support for projects of Community interest improving transport infrastructures is the most effective available instrument of Community policy in this field. It is therefore in keen anticipation and with great political interest that we await the outcome of tomorrow's votes in this House on the budget of the Communities, and more specifically those on the chapter making provision for support for transport projects of Community interest. It is regrettable that, despite the European Parliament's urgent exhortations, the Council has thus far failed to adopt a basic regulation on Community support for transport infrastructure projects.

Loo

So that we do not have to wait too much longer, we support the proposal for a regulation on an experimental multiannual programme. In this connection I very much hope that this regulation will at last be adopted at the next meeting of the Council of Ministers for Transport, to be held in Brussels on 20 December. The Committee on Transport supported the view of its rapporteur, Mr Baudis, that the available financial resources were very limited. This money should not be allocated on a piecemeal basis, but according to criteria laid down within the framework of the common transport policy. It is for this reason that we call upon the Commission to make a careful analysis of all projects submitted by Member States and then to bring forward concrete proposals to Parliament and the Council. It would come as a surprise, to my colleagues on the Committee on Transport at least, if I were to leave this subject without making a further reference to a project to be carried out in France, which I am convinced has every reason to take its place in the priority list of projects of Community interest. I refer to the link between the Rhine and the Rhone, or more exactly between the Mediterranean and the North Sea. That is all I had to say, Mr President, except that I should like to make the point, in the light of all the talk that we hear about energy conservation, that inland waterways provide an excellent example of economical transport facilities. I hope that this last comment will not fall on deaf ears.

Mr Narjes, Member of the Commission. — (DE) As my colleague Mr Contogeorgis is attending today's meeting of the Council of Ministers responsible for fisheries, I have an opportunity of appreciating the deplorable state of our transport policy, in particular the inherent contradiction that all the Member States wish to expand the European dimension, establish a common internal market and a uniform economic area, but then withhold the necessary infrastructure. This is not nationalism, but provincialism.

As the Commission and Parliament are generally in agreement, I can come straight to the point. The Commission considers this report worthy to be included in the ranks of other reports on transport policy. We congratulate the rapporteur, Mr Baudis, on his work and the Committee on Transport on its realistic and constructive opinion. Our joint goal for this year is to exceed the volume of 1982. As far as your amendments are concerned, the Commission has already indicated that it accepts them all. All I need add is a comment on procedure. Today is 14 December. The Council of Ministers is to meet on 20 and not on 23 December.

It will therefore be necessary, immediately following the vote, to submit the regulation and our agreement to all the amendments to the Council of Ministers; if a decision is not reached on the 20th, then we shall

have to submit formal amendments. We would like to thank the committee for producing the report so quickly and hope that you will not be put under too much pressure next year.

President. — The debate is closed.

The vote will be taken at the next voting time.

3. Goods by road

President. — The next item is the report (Doc. 1-917/83) by Mr K.H. Hoffmann, on behalf of the Committee on Transport, on

the proposal from the Commission to the Council (Doc. 1-527/83-COM (83) 340 final) for a regulation amending Regulation (EEC) No 3164/76 on the Community quota for the carriage of goods by road between Member States.

Mr Seefeld (S), chairman of the Committee on Transport. — (DE) Mr President, as you have pointed out, I am representing my colleague Mr Hoffmann, who is unfortunately detained. I have several times had occasion to remark just before Christmas that the time had come round yet again for Parliament to deal with the proposals to increase Community quotas for the transport of goods by road between the Member States. Parliament has more than once demanded that this situation be brought to an end and the Commission proposal before Parliament meets this demand by replacing the annual bargaining on an increase in Community quotas with an objective method.

The Commission proposes to increase annually the number of Community permits in accordance with a formula calculated on objective economic criteria, and, following a transitional period of five to ten years, to abolish the quota system for all trans-frontier commercial carriage of goods by road.

The Committee on Transport agrees with the Commission that a system of Community permits is the only method appropriate to a joint transport market. Bilateral permits tend to protect national markets. The majority of the Committee on Transport does not agree with the Commission and feels that an increase in the total capacity of trans-frontier commercial carriage of goods by road at the present time might lead to disruption of the market and less competitiveness. The overwhelming majority of the Committee on Transport feel that the transport policy sections of the EC Treaty, i.e. removal of all discriminatory measures together with a guarantee of harmonized economic development, can only be achieved if every time the number of Community permits is increased, the number of bilateral permits is reduced by the same amount. If this procedure is applied, then, in our opinion, the discriminatory measures still in force will gradually be abolished and there will be no danger of

Seefeld

surplus capacity. This is the aim of Amendments Nos 15 and 16, tabled on behalf of the Committee on Transport.

At present it is not possible to foresee whether the Community will, in a few years' time, be able to dispense with a capacity policy as far as commercial carriage of goods by road is concerned. The majority of the committee therefore reject the Commission's proposal that, following a five to ten year transition period, all restrictions on the number of Community permits should automatically be removed.

Finally, I would like to say that Amendments Nos 17 and 18 to the Commission proposal demonstrate the committee view that the Council of Ministers must take the decision itself, at the appropriate time, and taking into account all the economic circumstances, as to whether a limit must be applied to the amount of trans-frontier commercial carriage of goods by road.

The Committee on Transport has dealt with this subject exhaustively over a number of years. We are pleased that the Commission has now generally come round to our way of thinking. A large majority of the Committee on Transport was in favour of this report and we ask Parliament to endorse this decision.

Mr Gabert (S). — *(DE)* Mr President, ladies and gentlemen, I would like to congratulate not only the rapporteur, who is not here today, on this report, but also the Committee on Transport and the Commission. It is important to say this, since this proposal and draft regulation represent a step forward. We have so frequently had to deal with the question of Community quotas. A large proportion of Parliament and almost all the Committee on Transport felt that Community quotas should not be increased further and that the annual haggling over percentages was not very dignified; nor did it bring us any nearer to a valid concept for transport policy.

We therefore welcome the entire proposal. Mr Seefeld has already mentioned that the Committee on Transport would like to make one major amendment, to the effect that each increase in Community quotas would lead to a reduction of bilateral quotas by the same percentage. The Committee on Transport has supported this view for some time, and we are of the opinion that a healthy relationship must be established between these two systems of permits. We feel that Community permits should have precedence and that this system will take over in future.

The rapporteur also mentions the question of the entry into force and the Council decision. Our previous experience of the Council leads us to urge very strongly that the proposal must also cater for the Council failing to reach a decision. Particularly where transport policy is concerned, the Council has delayed reaching a decision for the last six years. We feel, and believe that the Commission must agree with us, that

if no decision is reached — and we have sufficient examples of this happening — this regulation must ensure that matters are dealt with in this way. This was the point we wished to make. The Socialist Group welcomes this proposal and will vote for it.

Mr Moreland (ED). — Mr President, in the past the Commission has produced a proposal annually to alter the number of road haulage permits under the Community quota. Parliament has always condemned this annual procedure, particularly when we see the demeaning haggle that results every December at the Transport Council.

This year the Commission proposes a five-year programme for permits increasing the share of the Community quota as opposed to bilateral permits, improving the allocation between Member States, in particular relating it more to the demand for permits and leading eventually to the elimination of the need for permits. This is certainly what my group has always asked for and what Parliament has asked for, and therefore we believe the Commission's proposal should be warmly welcomed.

We welcome Mr Hoffmann's report to the extent that it agrees with much of the Commission's proposal. However, Mr Hoffmann takes a strange tack which we cannot accept. In this respect I cannot entirely agree with Mr Seefeld and Mr Gabert. Mr Hoffmann wants to replace bilateral quotas by the Community quota. This sounds seductive, but actually in the immediate situation it presents difficulties. First, because the Commission itself, despite what is said in the report, does take into account the need to increase the Community quota at the expense of the bilateral quota. It believes that by extending the Community quota eventually the bilateral quotas will wither away.

However, the problem, of course, is one of practicality at the moment. How, in fact, do you increase the Community quota to take over the bilateral quota? You have to bear in mind that in effect we are talking about seven countries that do not have a quota and three countries that insist on some permit regulation. Do you replace the liberalized procedure between Britain, Ireland and Belgium by a quota? Of course you do not. Do you liberalize the quota between Italy and Britain, or France and Britain, or Germany and Holland by the biggest amount, the most generous or the least?

There are practical difficulties. I do not believe the suggestions in the Hoffmann report for changes in the Commission's proposals are, in fact, realistic.

Of course, in a way, all that Mr Hoffmann is trying to propose is that what you give away on the one hand by being generous about the Community quota, you take away with the other by getting rid of the bilateral quota. Now that is not liberalization. That is leaving everybody at the present situation. Most Member

Moreland

States regard this as unsatisfactory. I would certainly suggest that there would be a number of Member States which would find the proposals in Mr Hoffmann's report unacceptable. Therefore, I must say that I would prefer if Parliament sticks to the Commission's own proposals. In any event, I am certain that when this is discussed at the Council next week, the issue of replacing bilateral quotas by the Community quota is not going to be very prominent. Other issues are going to be much more important.

Mr President, my group has always believed that basically the existence of a quota is nonsense, that it does not actually do what it is supposed to do, that it actually distorts trade within the Community. What always intrigues me is that goods actually do manage to go by road but, because of the permit situation, they go by distorted routes. If a driver cannot get a permit to go across France, he goes across Holland or he arranges with a Dutch haulier that his lorry takes over at the German border if that lorry driver happens to have the permits for Germany.

I thought that the House of Lords report on this subject put the whole problem very succinctly. The House of Lords is extremely objective in this context, as can be seen by its very critical report on the British position on EMS.

I will conclude, Mr President, by simply reading their conclusion. They said: 'Restricted quotas for road haulage cannot be reconciled with the free trade principles of the Treaty of Rome. Quotas may frustrate exporters when economic recovery takes place. Quotas discriminate against innovators and protect established operators. Quotas have been ineffective as a means of protecting railways. Quotas distort competition amongst road hauliers. More direct means should be used to maintain proper professional and social standards in the industry. Quotas should be abolished as soon as possible.' I agree with that, Mr President, and I hope Parliament will follow that.

Mr Carossino (COM). — *(IT)* Mr President, this proposal by the Commission differs from previous ones, in that it is innovative in character. Whereas in the past the policy has been one of gradually increasing the Community quota, this proposed procedure provides for a speeding-up of the liberalization of goods traffic by road between Member States which, over a period of five years, should be liberalized completely.

In principle, no one can be against the proposed objectives, since the realization of the freest possible common transport market is one of the fundamental aims enshrined in the treaties setting up the Community.

The European Parliament has always maintained, in innumerable declarations on the subject, that the common transport policy should aim to achieve the

merger of the different national markets, gradually eliminating the divergencies between the different national laws on goods traffic, so as finally to achieve a completely free system that would operate, however, within a framework of healthy competition, free from distortion both within and between the different branches of transport. In other words, the objectives set by the common transport policy is the liberalization of the market — and harmonization of the different governing legislations, and the removal of obstacles at the frontiers are the means of achieving it.

Now this proposal lays down that goods traffic between Member States shall be completely liberalized within five years, totally ignoring the fact that for a number of years there has been no progress in regard to the integration of the individual national markets into a genuine common market. Nor is there anything to suggest, or justify the hope, that in the immediate future the Commission — and still less, the Council — are prepared to take important decisions along these lines. If we bear this situation in mind — and it has been made abundantly clear by the action brought by Parliament against the Council for failure to apply the treaties — the Commission's proposal appears in a somewhat different light. Rather than being a constructive contribution to the advancement of a common transport policy, it appears — if I may be allowed to say so — more of a flight of fancy that is doomed to failure because it will come up against the insurmountable opposition of those States that are not prepared to accept such an unbalanced arrangement.

If it really wishes to make some contribution to the solution of this impasse, the Commission should prove that it is constructive and realistic in its approach by linking this proposal with others that are, however, designed to further the process of harmonization of the national laws governing the carriage of goods.

In the absence of such a commitment, which we are unable to discern on the part of either the Commission or the Council at present, it is unlikely that the proposal before us today will have a favourable reception.

Mr Albers (S). — *(NL)* Mr President, I belong to the minority in the Committee on Transport who feel that the Commission's proposal does not need to be amended.

We even believe that the proposals made by Mr Hoffmann and approved by the Committee on Transport for amendments to the Commission's proposal are dangerous and superfluous. They would in fact mean that the number of authorizations would be fixed at its present level, which is, of course, nonsense because negotiations on increases in bilateral authorizations take place every year.

Albers

I have therefore tabled ten amendments, Mr President, in an attempt to make it possible for Parliament to adopt a kind of interim position. Proposing amendments of a protectionist nature conflicts, in my opinion, with the strong desire the Committee on Transport has expressed year after year for a common transport policy. They would also weaken Parliament's position in the case it has brought against the Council in the Court of Justice on the grounds of negligence.

Mr M. Martin (COM). — (FR) Mr President, the Commission's proposal for the setting-up of a gradual, irreversible procedure leading to total liberalization of road transport capacity is wholly unacceptable to the French Communists and Allies under present conditions.

We well know which trade circles and economic interests are hoping for the removal of all restrictions on road transport, from which they stand to make substantial profits, but we are too keenly aware of the danger, which is implicit in the Commission's proposal, of further accentuation of the imbalance between road and rail in the handling of goods traffic. It is not possible, in our view, to press ahead with liberalization without setting up a Community framework for harmonization of conditions of competition, involving a common system for charging for the use of infrastructures, and without effective harmonization of working conditions. This is not the way to make progress in establishing a common transport policy based on optimum use of the various modes of transport under controlled conditions making for healthy competition and complementarity.

For these reasons the French Communists and Allies will be voting against the motion for a resolution.

Mr Narjes, Member of the Commission. — (DE) Mr President, first of all, on behalf of the Commission, I would like to thank the Committee on Transport, the rapporteur and the speakers for their contributions to this proposal. The European Parliament has repeatedly urged that the Community quota should no longer, as in the past, be dealt with on an *ad hoc* basis, but should be considered objectively within the framework of a comprehensive capacity policy. The present haggling between governments in the Council of Ministers should be avoided, or at the very least limited. The Commission proposal attempts to comply with this demand, and we are pleased to note that, with one exception, the Committee on Transport supports us.

The Committee on Transport and the Commission disagree on the question of how the bilateral quotas are to be handled *vis-à-vis* the Community quotas. The Committee on Transport wants the bilateral quotas to be reduced — as I understand it — on an arithmetical basis in proportion to the increase in

Community quotas. The Commission cannot accept such a rigorous demand, for the following reasons: firstly, it goes without saying that Member States should take account of the development of the Community quota in their bilateral negotiations. Binding regulations hardly seem necessary and may even be superfluous.

Extensive discussions with representatives of business and government have shown that no one can seriously be interested in automatic adjustment between the two types of quota. The Committee on Transport's suggestion would in fact mean that an automatic, binding reduction in bilateral quotas would lead, more or less, to a ceiling on the capacity for commercial carriage of goods by road. At the same time the carriage of goods not subject to the quota system — this system does fortunately exist in the Community — would be favoured and own-account carriage of goods further encouraged. Finally, it would also be technically very difficult to find a suitable mathematical formula — and it would have to be mathematical if it is to be objective — to calculate correctly the ratio between the quotas to achieve the necessary reduction in the bilateral quotas. The Commission therefore hopes you will appreciate why it cannot accept this view and the relevant amendments.

Mr Albers' amendments are less drastic than the opinion of the Committee on Transport. But they maintain the link between Community quotas and bilateral quotas so that the Commission cannot accept them, although we support their general drift.

The Committee on Transport and the Commission also disagree on the Commission proposal to establish the market organization for the final phase of this policy at the beginning of the transitional phase. The aim of this is to exert sufficient pressure on the Member States so that any measures necessary are introduced efficiently and at the proper time. The Commission cannot accept the committee's amendments to Article 3, since this would mean that the entry into force of the final regulations on market organization would remain hazy and we believe that a clear, calculable legal position must be established.

Mr Albers wishes to simplify the conditions under which permits are to be granted in future, with a view to this final phase. He suggests that the minimum length of time a company has operated nationally, before it is allowed to operate across frontiers should be reduced, or that this provision should be eliminated entirely. The Commission, or to be precise since I am myself liberal, the majority of my colleagues are unable to accept this. The provisions laid down in the Commission proposal are not only the minimum that is politically acceptable, they are also essential to prevent international markets from being flooded by operators who lack the necessary experience.

Narjes

The Commission has no difficulty in accepting Mr Moreland's amendments, which, in the course of further development of the whole quota system, aim at emphasizing even more the Community nature of the permits, as long as such permits exist. This idea is exactly in tune with the Commission proposal, and the Commission hopes that it will find acceptance.

Unfortunately, there are still many difficulties to be resolved. We were not able to achieve any progress on 1 December; it is very doubtful whether we will get any further on 20 December. As always, the Council of Ministers consists of two opposing fronts: a majority who support the motion opposed by a minority who do not; these two sides seem at times to be irreconcilable. The Commission would therefore ask Members, over the coming months, to do all in their power to secure the adoption of the Commission proposal. 25 years after the conclusion of the Treaty of Rome, the freedom granted to the exchange of services should also be granted to the carriage of goods by road. If no progress is achieved here, then there will be no progress in other areas of the common transport policy.

(Applause)

IN THE CHAIR: MRS CASSANMAGNAGO
CERRETTI

Vice-President

President. — The debate is closed.

The vote will be taken at the next voting time.

4. *Transport rates and conditions*

President. — The next item is the report (Doc. 1-921/83) by Mr Buttafuoco, on behalf of the Committee on Transport, on

the proposals from the Commission to the Council (Doc. 1-523/83-COM(83) 266 final) for

- I. a directive on the use of hired vehicles for the carriage of goods by road
- II. amendment of the proposal for a directive on own-account carriage of goods by road between Member States (COM (78) 772 of 31 January 1979)
- III. a regulation amending Regulation No 11 concerning the abolition of discrimination in transport rates and conditions, in implementation of Article 79 (3) of the Treaty establishing the European Economic Community.

Mr Buttafuoco (NI), rapporteur. — (IT) Madam President, ladies and gentlemen, our Parliament's Committee on Transport has always maintained, from the outset of its work, that the common transport

policy must be developed as part of a general, global approach, which alone can provide the directives necessary in order to take the individual — perhaps even small — steps forward towards the realization of such a policy.

As we all know, the Council has so far failed to define this general framework, and for that reason Parliament has taken it to court for failure to act.

In order to assess the worth of the individual proposals put forward by the Commission, and in particular the three proposals that we are discussing today, we must therefore refer to the policy guidelines approved by our Parliament in its various resolutions on this vital sector.

The three proposals refer to the carriage of goods by road and propose to allow the use of hired vehicles.

Our Committee and Parliament as a whole have always adopted a constant position on the subject: haulage of this kind within the Community must be facilitated, in particular by eliminating the obstacles that are encountered at the various frontiers between Member States. We are however conscious that measures relating to the carriage of goods by road must on no account further worsen the competitive position of the railways — and times are already very hard for them — nor have unfavourable repercussions on small and medium-sized concerns.

On this point I should like to explain, using two examples, just how the small concern could benefit by using hired vehicles. Let us assume that a small concern has two lorries: one of them is in regular use for haulage over short distances, whilst the other, covered by a Community authorization, carries loads to and from various Member States. If the long-distance lorry should unexpectedly break down, it cannot be replaced by the other lorry, which has already been committed to short-distance work. If the haulier cannot hire another vehicle that he can use for his long-distance work — still on the basis of the Community authorization granted to him — he must decline the load, whereas a large firm probably has a replacement vehicle of its own.

The same considerations would apply if the same small haulier were offered an additional load for a short period. Provided he obtained the necessary licence to carry the goods, the use of a hired vehicle would in certain cases give him greater commercial flexibility, and would thus strengthen his competitive position in relation to the large firm.

Allowing the use of hired vehicles does not even harm the interests of the railways. As we saw in the two previous examples, hired vehicles could only be used if the firm has the necessary licence or authorization to carry the goods. The total figure for the licences and authorizations to carry goods by road would not be changed by allowing the use of hired vehicles.

Buttafuoco

There is no reason to fear that this measure would in any way distort the competition to the detriment of the railways.

For the reasons given, the Committee on Transport voted unanimously in favour of allowing the use of hired vehicles. A difficulty still remained, however, to which the Commission had referred in its explanatory statement on its proposals, and this is the fact that, in order to allow hired vehicles to be used for the carriage of goods by road in a number of Member States, the existing regulations need to be changed, and that, for the implementation of the directive, the 6-month period envisaged by the Commission is not sufficient. In the Committee on Transport we therefore unanimously adopted an amendment providing for a 2-year period for the implementation of the directive, and I should like to express my pleasure at the fact that, on this occasion, the representative of the Commission expressed his agreement to this amendment.

I therefore invite Members to vote in favour of both the Commission's report — with the amendment tabled by the Committee on Transport — and the resolution contained in my report.

Mr Kaloyannis (PPE) — *(GR)* Madam President, admittedly I have nothing to add to the report by our colleague Mr Buttafuoco, or to the way it was presented verbally. The Committee on Transport unanimously approved Mr Buttafuoco's report, and the European People's Party, on whose behalf I speak, accepts it as well. We too support and will vote in favour of Amendment No 1 to Article 7 which extends the period of transition from 6 months to 2 years.

Mr Narjes, Member of the Commission. — *(DE)* The Commission thanks the committee and the rapporteur for their work on this interesting subject. As the adoption of this report by the Council of Ministers is threatened by the opposition of a small number of governments, I should like to make a few comments. In the opinion of the Commission, permission to use hired vehicles offers both economic and technical advantages to commercial road haulage firms and own-account road transport users. In individual cases, hiring a vehicle represents an attractive alternative to purchase. Operating efficiency is improved, particularly as far as the rational usage of a varied vehicle fleet is concerned. The need to use this facility may arise, for example, at times of peak demand for a particular type of transport, or to compensate for seasonal fluctuations in the market, or if there is a short-term demand for specialized vehicles. In all these and similar situations, the use of hired vehicles is a more efficient use of expensive resources. Undertakings can improve their efficiency and productivity.

Since I am well acquainted with the government that is putting up most resistance, I would like to add that

it is completely incompatible to ask for as much freedom as possible for undertakings on the one hand and on the other hand, in the transport sector, to insist on regulating whether hiring is permitted or not. Several Member States have permitted for some time, albeit on different terms, the hiring of commercial vehicles. Other States only permit the use of hired vehicles under very restricted conditions, or forbid it altogether. The aim of this, as of many of the other regulations governing road haulage, is to protect the railways or to protect commercial road hauliers at the expense of own-account users. The Commission believes that these aims cannot be achieved by imposing such restrictions. Such controls have led to an artificially expensive and far from optimal transport system. These measures are not compatible with the public interest, and this includes the interests of all consumers. They serve the interests of a few groups who wish to enjoy the protection of state cartels.

Conditions in those Member States that do permit the use of hired vehicles show irrefutably that this instrument does not endanger the balance of transport markets. On the contrary, experience has been as positive as it has been in all other areas of the economy where the leasing of the means of production has become an everyday occurrence. The Commission hopes that the entire Community transport market can benefit from this positive experience. In our opinion, there is no valid reason why the use of hired vehicles should only be authorized for commercial road hauliers, or only between commercial road haulage undertakings. The Commission regards this as discrimination not only against own-account road users, but also the hire firms, for which there is no economic justification. The Commission also wishes to emphasize that the proposal should be regarded as an instrument, not only to liberalize access to the market, but also to harmonize competition in the road haulage market. Those governments for whom harmonization is a prime goal could and should agree to this. I trust that today's debate will convince the governments in question. In conclusion, the Commission accepts Amendment No 1 to Article 7.

President. — The debate is closed.

The vote will be taken at the next voting time.

5. EEC/Yugoslavia

President. — The next item is the report (Doc. 1-920/83) by Mr Kaloyannis, on behalf of the Committee on Transport, on relations between the European Community and Yugoslavia in the transport sector.

Mr Kaloyannis (PPE), rapporteur. — *(GR)* Madam President, ladies and gentlemen, in presenting my report I would like to explain that it represents an

Kaloyannis

initiative by the Transport Committee concerning relations between the European Community and Yugoslavia in the transport sector. It is a continuation of the report by Mr Buttafuoco that Parliament voted upon some months ago and that concerned the problems arising when goods entering or leaving the Community have to be transported via Austria and Switzerland. The need for the proposed resolution has become more urgent since Greece's accession. It is a resolution that affects the Community's interests as well, because of the large volume of goods moved in transit through Yugoslavia. The report's main points are as follows :

It notes that Yugoslavia has already become a key country for the Community's transit trade, both because of the close economic relations between the Community and that country, and because of the Community's relations with countries in the Middle East and North Africa, and indeed because of the expected increase in trade within the Community itself following the gradual abolition of duties and integration of the Common Market of Ten.

It points out that the Community must contribute substantially to facilitating commerce in transit through Yugoslavia.

It approves the credit of 200 million ECU from the European Investment Bank to Yugoslavia for infrastructural projects in the transport sector.

It calls upon the Commission to look into the matter of high transit charges, to propose solutions for the reduction or abolition of those charges, and to make efforts to bring Yugoslavia's transit arrangements into line with the Community system. This point is of especial interest to Greece. The report stresses that Yugoslavia's refusal to be a co-signatory to the ASOR agreement is detrimental to the Community, and supports the Commission's endeavours to convince Yugoslavia of the mutual benefits of the ASOR provisions or to devise a comparable separate agreement. The imposition of an upper limit on the number of permits granted for road transport and the relevant quotas are considered an impediment to Community trade.

It suggests a way of simplifying the formalities that create delays at Yugoslavian borders.

It maintains that alternative solutions must be found to the modes of transport through Yugoslavia. Along these lines, the report refers to the three mixed systems, namely, lorries on trains, lorries on ships and aeroplane/ship combinations as being the most rational solution. A previous position of Parliament is recalled, in which it requested the Commission to implement Council's decision of 10 June 1982 concerning the promotion of combined transport systems, and stressed the need to extend this decision to include Yugoslavia.

In conclusion, Madam President, I would like to repeat what I reported verbally to the Transport Committee during our first exchange of views on my report. Namely, that in parallel with the work on transport infrastructure needed in Yugoslavia, it is essential that similar work should be carried out in Greece. As examples I could mention the Egnatia road towards Turkey, the road that leads from Italy, via the Adriatic — Igoumenitsa — Volos, and thence along the sea to the Middle East.

I can also mention the connection between the Danube and the Axion as far as Thessaloniki, improvement of the Greek railway network, and development of the Greek ports. The Committee on Transport has agreed that these proposals of mine will be included in the special report already being prepared, with my colleague Mr Klinkenborg as rapporteur, on the subject of 'Greece's transport problems'. Indeed, that is the reason why the Committee on Transport did not include my proposals in the present *ad hoc* report on Yugoslavia.

Mr Seefeld (S), chairman of the Committee on Transport. — (DE) Madam President, ladies and gentlemen, Yugoslavia is an important country. It has become even more important since Greece joined the European Community. Yugoslavia is an essential transit country for the European Community if we are to make use of road and rail transport for trade with Greece. Several reports have discussed the problems involving third countries in the transport sector, the last being in 1982 when we considered the particular transport problems of Austria, Switzerland and Yugoslavia. An important cooperation agreement also exists between the European Community and Yugoslavia, and includes transport policy. Parliament has emphasized its importance by appointing a delegation for relations with the Yugoslavian Parliament. I have been present at meetings and know that considerable progress is being made.

It was only to be expected, as my group urged, that the Committee on Transport should discuss all the problems, difficulties and areas needing improvement as regards the transport sector in Yugoslavia.

We found that 90 % of goods transported between Greece and the rest of the Community go by sea, but that transit traffic via road and rail is increasing all the time. Here we must consider how transit traffic through Yugoslavia can be handled. Our Yugoslavian friends do not deny that there are problems. They are in a better position to recognize their own problems. The railway network needs expansion ; at present it is very limited, transport times are far too long and handling facilities are out-of-date and must be modernized. The roads are inadequate and not always in good repair.

Yugoslavia is trying to improve the situation, but cannot achieve this with its own resources, particularly

Seefeld

since, as the rapporteur has pointed out, in addition to the traffic with Greece, traffic with the Middle and Far East and with some North African countries is handled on this route. The North-South routes are also important to the Community. The problems that concern Yugoslavia must be discussed with that country. I would therefore like to make four points that my group considers to be important.

Firstly, no one would deny the significance of Yugoslavia as a transit country; it is important for transport within the Community. This alone is a reason for the European Community to help Yugoslavia.

Secondly, Yugoslavia is the most important of the non-aligned states. We must consider the political influence that Yugoslavia exerts in this area, and acknowledge this by supporting its transport infrastructure projects.

Thirdly, the European Community must therefore provide help for transport infrastructures in Yugoslavia in various ways. The necessary preliminaries have already been taken care of. I also realize that there are problems in Yugoslavia itself.

Fourthly, a delegation from the Yugoslavian Parliament is to visit us in January, when we are to have the honour of a visit from the President of that Parliament. My group welcomes this as a further development of relations between the European Community and Yugoslavia. Finally, I would like to thank the rapporteur Mr Kaloyannis and express the Socialist Group's support for this report.

Mr Kazazis (PPE). — *(GR)* As both the rapporteur and the Chairman of the Transport Committee Mr Seefeld, have stressed, Yugoslavia's geographical position and the need for a well developed and up-to-date transport network in that country are decisive factors for the development of Greek exports, because the difficulties and competitive disadvantages that Greece has to face because of her special position as a peripheral country, and her other weaknesses in the transport sector, are indeed tremendous. The result of this is to place an excessive burden in particular on agricultural products, so that they become less competitive because their transport costs sometimes amounts to as much as three-quarters of their value. There are four basic problems that affect Greece in her relations with Yugoslavia concerning the transport sector.

Firstly, the poor state of the road and rail network. In Yugoslavia there are approximately 600 kilometres of motorways, only 368 of which follow the Austria-Zagreb-Belgrade-Nis-Greece route, and 10 thousand kilometres of railway line, only 3 800 of which are electrified and only 1 000 of which have a two-way track.

Secondly, the limited number of transit permits granted by Yugoslavia each year, and the continual negotiations for some increase in these.

Thirdly, the unacceptably high transit charges, which were arbitrarily trebled last May, without any prior notice.

And fourthly, Yugoslavia's refusal to sign the ASOR agreement, to the exclusive detriment of Greece.

Madam President, the four problems I have enumerated operate mainly to the disadvantage of Greek exports, especially the arbitrary increase in transit charges. Adding this to the 40 % increase in transit charges imposed by the Austrian Government on 23 November 1983, there is little wonder that Greek exports are falling drastically and that the balance of trade, especially in agricultural products, is continually becoming worse. As you see, the situation has deteriorated, and I think the time has now come for the Community to adopt a more dynamic stance against both Yugoslavia and Austria. The treaty for cooperation with Yugoslavia includes directives specifying that when problems arise, negotiations must take place. The Commission should therefore commence such negotiations at once, aiming to grant Yugoslavia better terms for its loan from the European Bank, in exchange for improved transit conditions for Greece in relation to charges and permits.

As for the relations with Austria, I do not think that the latest actions on 25 November will facilitate further dialogue with that country, nor the granting of financial aid for the construction of the Pyrhon motorway. On the contrary, the Community will have to re-examine its position and consider the possibility of imposing Community sanctions or even national ones, and this for two reasons. Firstly, because the size of the increase is disproportionately high in relation to the wear and tear occasioned by Community vehicles to the Austrian road infrastructure, and secondly to discourage future unilateral and arbitrary decisions concerning the size of the increase.

In conclusion, Madam President, I would like to draw emphatic attention to the sensitivity of Yugoslavia's geographical position in the Balkan area in relation to East-West relations, and to the enormous economic problems faced by that country, namely foreign debts of 19 billion dollars. I would also like to stress that EEC-Yugoslavia relations, especially in the transport sector, must be brought more closely in line with the agreement for mutually beneficial cooperation, on the basis of the principles and guidelines laid down in the excellent report by Mr Kaloyannis, which my group will support unanimously.

Before I finish, I would like to express a wish. The forthcoming Conference on Transport in Brussels on 20 December will, I hope, promote all the initiatives taken by Parliament's Transport Committee, so that progress may be made in the Community's transport.

Mr Alavanos (COM). — *(GR)* Madam President, I agree in general with the rapporteur and the previous speakers, and shall therefore limit what I have to say to a few brief comments.

It is quite true that transit through Yugoslavia creates great problems, particularly for Greek agricultural products, both because of the size of the charges and the number of permits.

I think we should look more objectively at the problems Yugoslavia has to face because of its geographical position, such as the load on its central arterial roads, the wear and tear they have sustained, etc. From this standpoint it is indeed important that the Community should contribute to facilitating the development of infrastructure for transport through Yugoslavia. However, we do not agree with the way the matter was put by the previous speaker, Mr Kazazis, concerning attempts by the Community to interfere, by virtue of this Community support, in Yugoslavia's political position. I do not think that is the best way to deal with the problem, and believe that if we adopt that approach, we shall make it more difficult to find a solution.

Another comment I would like to make is that it will be important for our country, as Mr Kaloyannis also mentioned, to develop alternative modes of transport, mainly via countries in Central and Southern Europe, so as to reduce transport via Yugoslavia.

Finally, I also agree with the specific proposals by Mr Kaloyannis concerning improvement of the transport infrastructure in our own country, an improvement that is necessary if the transport problem is to be solved.

Mrs von Alemann (L). — *(DE)* Madam President, Parliament has frequently discussed the necessary transport infrastructure investments. We have also repeatedly considered transit traffic via third countries which is essential to Community trade. The rapporteur mentions this in his motion for a resolution and explanatory statement.

This report focuses on a specific aspect, namely, transit traffic through Yugoslavia. However, it must be stressed that Yugoslavia occupies a key position in transit traffic to and from the Community. Its importance is not just due to Greek accession, because it is also vital for a smooth exchange of goods between the European Community and the countries of the Middle East and North Africa.

The rapporteur provides statistics, which I do not need to repeat here, both on the development to date of the volume of transit traffic and likely future trends. The figures speak for themselves. The report clearly demonstrates that the Community must take action in its own economic interests.

Let us note in passing the political consequences for the non-aligned country of Yugoslavia. The Liberal and Democratic Group wish to congratulate the

rapporteur on this report, not simply because he presents a detailed picture of an important Community problem, but also because he suggests solutions which do not merely consist of demanding money for infrastructure investment. Most of his proposals are innovative suggestions, particularly as regards the development of combined modes of transport. The Liberal and Democratic Group supports these suggestions, and we urge the Council and the Commission to act accordingly without delay.

Mr Narjes, Member of the Commission. — *(DE)* Madam President, ladies and gentlemen, I would first of all like to thank the committee and the rapporteur for the comprehensive and constructive way in which this report deals with relations with Yugoslavia. Each speaker has emphasized the importance of Yugoslavia, because of its geographical position. The Commission attaches great importance to the improvement of transport with Yugoslavia, particularly the question of transit traffic. High priority has been given to cooperation between the Community and Yugoslavia following the Belgrade joint declaration in 1976, which laid particular emphasis on geographical aspects. The Council's adoption of the cooperation agreement on 23 January this year underlines this interest.

The agreement came into force on 1 April. We believe that Article 8 of this agreement provides a good legal basis for cooperation in the transport sector to the benefit of Yugoslavia and the Community. Traffic infrastructure is obviously an area of joint interest. The European Investment Bank has provided 1354 m ECU to finance improvements to the trans-Yugoslavian motorway and the railway network, and Parliament's committee has been informed that the Bank would be prepared to provide further funds. These improvements have enabled considerable savings to be made in transport costs both to the benefit of Yugoslavia's internal and international traffic and to the Community's transit interests and in terms of better access to the Middle East. Technical discussions with Yugoslavia have also taken place on the following topics: the possibility of an agreement on the carriage of passengers by bus, Yugoslavia's participation in multilateral negotiations on an agreement to develop combined modes of transport and finally preparatory discussions on the extension of direct ECSC tariffs to Yugoslavia.

Negotiations on an agreement on bus services have already started. A Commission delegation visited Belgrade in April 1983. This visit resulted in a better understanding of planning needs when developing a traffic network that takes account of the interests and plans of transit countries like Yugoslavia. The Commission is aware of the problems created by Yugoslavia's unilateral increase in transit charges. Several speakers have referred to this problem. My colleague Mr Contogeorgis had a meeting with the

Narjes

Yugoslavian Ambassador to the Community on 3 June and discussed the problem of transit charges. Mr Contogeorgis emphasized firstly the discriminatory nature of the charges and secondly the considerable increase and unilateral nature of the action. On 27 September 1983 Mr Contogeorgis headed a Commission delegation to Yugoslavia. The visit led to a considerable improvement in cooperation in all those areas of transport already mentioned. In particular, it was agreed that representatives of the Commission and Yugoslavia should meet once or twice a year to discuss fulfilling the cooperation agreement as far as transport matters are concerned. As you can see, cooperation is being achieved.

Together with Yugoslavia we will continue our efforts to improve cooperation within the framework of the agreement. The Commission will do its best to ensure that this cooperation leads to positive results. The Kaloyannis report deals comprehensively with all the questions which concern the Community and Yugoslavia and makes a number of constructive suggestions in line with the cooperation agreement. On this basis the Commission supports the European Parliament's motion for a resolution.

President. — The debate is closed.

The vote will be held at the next voting time.

6. *Agricultural development in Greece*

President. — The next item is the report (Doc. 1-910/83) by Mr Battersby, on behalf of the Committee on Agriculture, on

the proposal from the Commission to the Council (Doc. 1-643/83-COM(83) 468 final) for a regulation extending the common measure provided for in Regulation (EEC) No 1975/82 on the acceleration of agricultural development in certain regions of Greece.

Mr Battersby (ED), rapporteur. — Madam President, in my report I am recommending that this House support the Commission proposals for extending financial aid for agricultural development to certain areas of Greece beyond those already covered under Regulation (EEC) No 1975/82.

We have to recognize that Greece differs considerably in its agro-geographical structure from the rest of the Community. Criteria which are applicable to the sophisticated agricultural structures of the northern Member States are totally irrelevant to much of Greece, which is mountainous, arid and difficult to farm. Historical comparisons are also irrelevant. In 1912 much of Northern Greece — Epiros, Macedonia and Thrace — was an under-developed subsistence agricultural region of the Turkish Empire. Since then Greece has suffered the two Balkan Wars, two World

Wars, civil strife and occupation, and rural Greece has borne the brunt of these tragic disasters. It is only in the last thirty years, since 1953, that Greek farmers, aided by successive governments, by the Greek Civil Service, by the corps of agricultural advisers — the so-called Yeoponi — and financial institutions such as the Agricultural Bank, have succeeded with dedication and tremendous hard work in bringing Greek agriculture in the good-soil areas up to a level which is second to none in the Mediterranean. Unfortunately, however, there is precious little good soil in Greece, and the differential between the less-favoured areas — and I have lived in many of them — and the adjacent areas is very marginal.

Rural Greece is desperately in need of infrastructure, afforestation and irrigation. We have to face the problem urgently. It cannot wait for the overall Mediterranean programmes to come into being, because the drift of population from the land is very serious and has to be reversed. The quality of life in rural areas must be improved and young people encouraged to stay on the land. Otherwise, the problems we create by procrastination will cost far more to resolve than the aid we are now proposing.

However, you will note that in paragraph 4 of my report I strongly recommend that the Commission institute an effective feed-back system on the cost-effectiveness of the measures proposed. This is a form of shorthand, and I should like to expand on this point.

The Community has accumulated a reasonable experience over many years in the use and operation of the Agricultural Guidance and Regional Funds. We must now apply this experience to funding Greek agricultural development. I believe we must address ourselves to certain specific questions mainly relating to administration. For example, have all the programmes under which money has already been allocated under Regulation No 1975/82 for the less-favoured areas been prepared, presented, examined and approved by the Commission? How many projects have got off the ground so far? Is the Greek national administration adequately manned from the point of view of expertise and numbers for the task of programming and administering these funds, or does it need additional advice or assistance from other Member States, from outside experts, from consultants or from the Commission, to become fully effective? Is the money already allocated under Regulation No 1975/82 being used effectively and efficiently? Should the Court of Auditors investigate to see if improvements can be made in the financial administration of this sector? Also, has the Commission an effective feed-back system on the progress of individual projects? Is it adequately staffed in this sector? In other words, what can we do to help Greece fully, effectively and quickly to use the funds allocated?

Battersby

Rural Greece desperately needs help, and I should like once again to recommend that, taking into account the uniqueness of Greek agriculture and the extremely marginal differential between the so-called less-developed areas and the adjacent areas in rural Greece, we approve the Commission's proposal.

Finally, on the opinion of the Committee on Regional Policy and Regional Planning, I must congratulate the draftsman, Mr Papaefstratiou, on a most useful and well-considered technical and non-partisan document. However, on the amendments proposed by Mr Papaefstratiou, I can only recommend that Amendment No 1 be accepted. I believe the others should not be incorporated in the motion for a resolution. I regret having to give this advice, fully understanding the deep, patriotic motives behind these amendments, but, as rapporteur, I must take an impartial and *communautaire* attitude.

Mr Papaefstratiou (PPE), draftsman of an opinion for the Committee on Regional Policy and Regional Planning. — (GR) Madam President, ladies and gentlemen, as draftsman of an opinion for the Committee on Regional Policy and Regional Planning, I would like to congratulate Mr Battersby on the integrity and completeness of his report. I note that Mr Battersby has visited most of the agricultural regions in my country, Greece, and consequently has first-hand understanding and knowledge of the difficulties faced by Greece's agricultural sector.

We therefore propose without reservation to approve the Commission's proposal to extend Regulation (EEC) No 1975/82, because all Greece's agricultural areas should be included among the so-called less-favoured regions. This is because their natural disadvantages are many and severe, and their development is limited. The agricultural sector's productivity is the lowest among the EEC countries and the subdivision of the small agricultural holdings and their usually obsolescent mechanical equipment contribute to the difficulties and the high production costs. Mountain regions cover almost 80 % of the country's total area. Moreover, farmers and livestock breeders on the Aegean and Ionian islands are faced by additional problems in transporting their products.

For all these reasons, improvement of the agricultural infrastructure is an essential measure, together with special projects for irrigation, terracing the land, reforestation and support for livestock-breeding products — measures that must be applied in all of Greece's agricultural areas.

I would, however, like to ask both Mr Battersby and the House to accept the remaining amendments I had the honour to submit, especially the one referring to the duration of the Commission's proposed Regulation. I think it is only logical for it to remain in force for the same period as Regulation (EEC) No 1975/82,

because it relates to exactly the same problems. Besides, I would like to ask the responsible Commissioner, Mr Dalsager, taking advantage of his presence, to submit on some future opportunity, and preferably quite soon, a proposal for increasing the relevant grants because, as he too is aware, having visited my country several times, the problems of the agricultural sector in Greece are completely different from those of other countries in the Community. Consequently, to achieve some degree of convergence of Greece's agricultural economy with those of other Member States, the credits granted by the EEC must be inspired not only by a spirit of generosity but one of fairness and common sense as well.

Mr Kaloyannis (PPE). — (GR) Madam President, as a Greek I feel obliged to thank both Mr Battersby and Mr Papaefstratiou for their truly well-considered report and opinion and also for their promptness in preparing them. I am pleased to say that the European People's Party will vote in favour of them, despite the fact that the Commission's proposed Regulation that gave rise to these reports does not entirely satisfy me, personally. On this point, I wish to express support for the important distinctions made in Mr Papaefstratiou's opinion, and I would like the Commission finally to deviate from the letter of its proposal and adopt more daring proposals on behalf of Greece in this respect.

In the past I have presented two reports before Parliament, concerning aid for Greece's mountain and less-favoured regions, which cover 22 prefectures, and concerning the acceleration of agricultural development in those regions. In those reports I presented detailed and accurate figures to give a complete picture and highlight the peculiar characteristics of agriculture in Greece, and explained the extremely unfavourable conditions under which Greek farmers have to till the earth, in terms of soil, fragmentation of the holdings, climatic conditions and means of production.

I repeat that, in view of the conditions in question, the Commission ought to be bold enough, by virtue of its proposed Regulation, to extend to all the regions in Greece approximately the same advantages that it gave them with the previous Regulations, which classified them as less-favoured.

Fellow Members, let us not avoid the issue, because, without any desire to exaggerate or promote self-interest, cultivators and farmers in Greece must be regarded and must be treated as particularly problematic. If the responsible bodies of the Community accept this and take it to heart, then we will be able to achieve the best possible results, to the benefit of Greek producers and so that some degree of convergence may result between them and their colleagues in more highly-favoured areas of the Community.

Mr Adamou (COM). — *(GR)* Madam President, in general terms we consider positive the measures proposed for accelerating agricultural development in Greece and for extending them to the whole country in three sectors, relating to infrastructure, irrigation and reforestation. These are measures which will help the retarded Greek agricultural economy to overcome its deficiencies and its crisis up to a point. A crisis which became very much more acute with Greece's accession to the Community, as evidenced by the burial of 770 000 tonnes of fruit and vegetable products, and by the huge deficit in our balance of trade, which, in the agricultural sector alone, has exceeded 60 billion drachmas over the three years during which our country has been a Member State of the Community. Yet, we have many reservations about implementation of these measures and about their effectiveness. Our first reservation is that these measures are linked to the implementation of the integrated Mediterranean programmes which, as was made apparent by the Athens Summit and by the provisions of the Community's new budget, are being postponed indefinitely, not to say until the proverbial Greek Calends.

A second reservation is that the period of two years envisaged for implementing the infrastructural measures is entirely inadequate considering the work involved, since, as we all know, there is almost no infrastructure at all in Greece. Thus, if these measures are to be implemented, it will be necessary to extend the time involved.

The third point we would like to raise is that the Community's proportional contribution to this work should be increased from 50 % to 75 %, since, in her condition of serious economic deficiency and poverty, Greece could not possibly contribute more than 25 % for this work from the national budget.

A final point, which we consider vital and of primary importance: the report recognizes the consequences that Greece's accession to the EEC has had, both for our domestic and for our foreign markets, in relation to the disposal of Greek agricultural products. There is therefore an immediate and urgent need for these consequences to be dealt with, i.e. to apply the principle of Community preference consistently, to remove obstacles to trade with Socialist countries, and to provide effective support for industries that process agricultural products.

The very survival of Greece's agricultural economy is contingent upon such measures.

Mr Pasmazoglou (NI). — *(GR)* Madam President, the proposals by our colleague Mr Battersby are positive and along the right lines. I would like to comment that the amendments proposed by our colleagues, and specifically by Mr Papaefstratiou, reinforce the result that Mr Battersby's report is striving to achieve.

I would like to make the following comments: The measures proposed should indeed be passed, because

they constitute an interim solution until the integrated Mediterranean programmes, which we all regard as urgently necessary, are implemented. I hope that when the European Community emerges from the impasse in which it finds itself after the failure of the latest summit, those Mediterranean programmes will be implemented as soon as possible. This is one of the basic developments still outstanding in the Community, in the interests of all our peoples and every country.

My second comment is that these measures are in fact urgent. Urgent, because economic recovery and the fight against unemployment in Greece depend mainly — I repeat, mainly — on an immediate extension, reorganization and activation of the agricultural sector, and the measures proposed do indeed contribute to this.

My third comment concerns the problem of production costs. As all my compatriot colleagues have said, most recently of all Mr Adamou — with whom I do not very often agree as regards his general opinions — production costs in the agricultural sector are connected with the small size of the holdings that is a characteristic feature of Greek agriculture. Thus, these proposed land-improvement projects are very important because they could reduce production costs and increase the competitiveness of Greek products.

Madam President, my last comment is that the development of Greek agriculture does not create any more general problems for the European Community because it affects products that are not in surplus. Consequently, while the result for Greek agriculture will be positive, there will be no counterbalancing problem for the general functioning of the Community. As for the serious problem of the quantities withdrawn and buried — as my dear colleague Mr Adamou observed — this does not affect the functioning of the Community. There is no reason why those amounts should not be exported to the Socialist countries of Eastern Europe or to other countries, so long as the Community continues to function as it ought to, in other words, with subsidies for the difference between the prices we support within the Community and international export prices.

However, it remains essential for Greece to reduce the production costs of her products, to improve their quality, and to obtain continually better prices for them. Mr Battersby's proposals contribute to such a development. Madam President, I would like to hope that Parliament will approve both Mr Battersby's report and the amendments put forward by Mr Papaefstratiou.

Mr Dalsager, Member of the Commission. — *(DA)* Madam President, I should first like to thank Mr Battersby for his report and also Mr Papaefstratiou for his speech: both expressed broad support for the Commission's proposal.

Dalsager

The proposal is aimed at applying some arrangements which are already effective in certain areas of the Community, and they are to be applied in all rural areas of Greece. I think one of the speakers recommended that these proposals be extended to cover all areas. It already forms part of the Commission's proposal that it should apply to all rural areas, including Greece of course. If you look carefully at the Commission's proposal, you will see that this wish is already fulfilled. It concerns arrangements covering infrastructure, irrigation, afforestation and the like, and the expenditure which we have earmarked under the EAGGF is estimated at 44.7 million ECU for one year. The sum for which we are launching work for one year is thus a fairly sizeable one. The proposal forms part of the Commission's answer to the so-called Greek memorandum and corresponds to measures of a similar order which are being applied in Italy and the south of France. In effect, these arrangements constitute a recognition of the special problems, which have been referred to by most of the speakers, affecting certain particularly disadvantaged areas in Greece and of the need to implement suitable measures to ensure greater economic convergence between the various regions of the Community.

It is correct, as has been pointed out, that I have had the opportunity to visit many of the areas in Greece at which these proposals are especially aimed. I am fully in agreement with the comments made by both Mr Papandreou and the spokesmen of the various parties and committees, all of them indeed Greeks, who of course have very special knowledge of the conditions with which we are dealing. I have listened with great interest, and I have taken note of Mr Battersby's remarks regarding the need for an evaluation system and an information system covering the implementation of these programmes. I can report that the programme pursuant to Regulation 1975/82 was approved by the Commission in July, and that the Greek authorities are in the process of putting the programme into effect. As Mr Battersby has pointed out, it is of course too early to undertake an evaluation of the arrangements already at this stage, but I can assure Mr Battersby that we shall naturally take stock of developments as they proceed.

With regard to administration, the Commission has on several occasions been able to assist the Greek Government with the administrative problems of introducing various Community regulations. It will of course be possible for the Commission — should the Greek Government so wish — to give any information required on administrative problems of this kind.

It has been pointed out by a number of speakers that the period of validity is short. Indeed it is intended that this special measure will be replaced by longer-term legislation, for which we have already presented proposals under the so-called integrated Mediterranean programmes. We very much hope to have these

Mediterranean programmes adopted within a reasonable time, so that they can take over from this programme. It is true that Regulation 1975/82 does not have this one-year period of validity, but it is also the view that, when the integrated programmes are adopted, they should take over from these more interim measures, so that we can have long-term legislation to enable us to act in those areas which we wish to improve.

Mr Battersby (ED), rapporteur. — Madam President, I appreciate very much the comments of my Greek colleagues and the Commission. I would, however, like to reiterate that the rate of expenditure on the existing regulation is far too slow. This is not to criticize, because I believe that the Greek administration is doing its best. Nevertheless, I do implore the Commission to do all it can to help the Greek administration to accelerate fund utilization in respect of the funds at present available.

I must also agree with Mr Adamou, Mr Papaefstratiou, Mr Kaloyannis and Mr Pasmazoglou that when the scheme is working at an effective tempo, we must look carefully at positively expanding the financial envelope, irrespective of the integrated Mediterranean programmes which, I fear, will take some time to become effective.

President. — The debate is closed.

The vote will be taken at the next voting time.

7. Young farmers in the Community

President. — The next item is the report (Doc. 1-922/83) by Mrs Simone Martin, on behalf of the Committee on Agriculture, on the establishment of young farmers in the Community.

Mrs Pruvot (L). — (FR) Madam President, Mrs Martin is on her way to Strasbourg. May I therefore suggest that you ask the House whether it agrees to Mrs Martin's report being placed last on the agenda for this morning.

President. — I am sorry, Mrs Pruvot, but since the conditions set out in Rule 56 of the Rules of Procedure are not fulfilled in this case, we cannot amend the agenda agreed to at the beginning of this part-session.

Mr Franchère (COM). — (FR) Madam President, I should like to support Mrs Pruvot's suggestion. I imagine that our colleague Mrs Martin must have been delayed by unforeseen difficulties, since she attaches such great importance to the debate on the establishment of young farmers.

On my group's and Mrs Pruvot's behalf, therefore, I ask for this slight amendment so that, without any delay to our proceedings, Mrs Martin can be called to speak as soon as she arrives.

Mr Marck (PPE). — (NL) Madam President, on behalf of my group I should also like to support this proposal.

Mr Forth (ED). — Madam President, I thought that we had established a principle in this House that if the rapporteur was not able to be present, we should proceed with the agenda and either the committee chairman or someone appointed by the committee chairman should take care of the matter. I think that to start changing the agenda because of the regrettable lack of a rapporteur is something that we were trying to avoid. I would, therefore, oppose any suggestion that this should be done. I suggest we carry on with the agenda as published.

President. — That is exactly what the Chair intends to do. We shall proceed with the agenda as agreed to by the House.

Mrs Desouches (S). — (FR) Madam President, ladies and gentlemen, I for my part am thoroughly convinced of the need for aid to facilitate the establishment of farmers, young farmers in particular. Indeed, I find the diagnosis very clear. In my department in France, Finistère, which is a mainly agricultural department, it is estimated that 12,000 of the 28,000 farmers now active will have retired by 1990. They will need to be replaced, but only about a quarter of them have successors willing to take over. I should explain that 63 % of farmers in my department are aged over 50.

The implications of a constant decline in the number of farmers are well known. Even in 1978 we were already being told that many farming areas in France had been lost to farming or were at best tragically under-exploited because there were no longer enough people to work the land.

The French land survey returns show no less than 3 million hectares of heath and wasteland. Further falls in the numbers of farmers working the land over the next 10 to 20 years would mean that our natural resources were being under-utilized, and the consequent fall-off in production would jeopardize the viability of processing and storage facilities. At the same time, with the discontinuance of many rural services and the consequent threat to jobs in the regions, there would be further deterioration in the social fabric.

The arguments in favour of aid to help young farmers establish themselves would therefore appear conclusive. However, I should like to draw attention to certain forecasts which I find disturbing. In Article 7 of its document concerned with improving the efficiency of agricultural structures, the Commission makes provision for aid to help young farmers set themselves up. However, it estimates that there will be 64 000 young farmers setting up in the Community each year, whereas the figure needed to keep the

number of farmers at its present level appears to be 150 000. That is a big difference.

Intentions should be clearly expressed and questions clearly asked. How many farmers do we want to have 10 or 20 years hence? What kind of agriculture do we want? Do we really have so many more farmers than we need that it can be decided that it is enough to have only 64 000 coming into the industry each year? In the Community of Nine, the farming population was only 7.3 % of the total. Having heard a distinguished public servant make such a comparison last year, I must stress at this point that one cannot compare the American farming population with the Community farming population and then use the findings as a basis for drawing conclusions on the productivity of our agriculture. As we all know, one cannot compare extensive grain production with stock-farming or wine-growing.

The second question that I ask myself is this: yes, we must have farmers, but what do we want them to produce? This is perhaps putting it rather baldly, but I really was rather amazed when I read in the Commission's document that the policy on development plans has been — and I quote — 'a contributory factor in the development of agricultural surpluses'. We have therefore been financing an increase in productivity without concerning ourselves with the pattern of production.

Would it not be possible to seize the opportunity when a young farmer is setting up for the first time — a decisive moment in determining production options — to provide him with incentives to switch his farm over to products in which the Community has shortages? This would be entirely justified in my view. It is not the role of the Community to provide aid to young farmers indiscriminately, simply because they want to go into agriculture. Steps should therefore be taken to adjust the pattern of production — according to the potentialities of the various regions — so as to increase output of the products needed in Europe.

In other words, this would be a way to restore some balance to the common agricultural policy.

Finally, Mrs Martin's report rightly emphasizes the capital costs involved, especially the very heavy investment in land at today's prices. This points clearly to the need for Europe to encourage Member States to set up arrangements under which the capital cost of land is not too great for farmers, even if the formulas adopted offend against some of the land tenure conventions.

IN THE CHAIR: MR NIKOLAOU

Vice-President

Mr Marck (PPE). — (NL) Mr President, before discussing the Martin report, I should like to ask Commissioner Dalsager a specific question about the legal vacuum due to the fact that a number of structural measures have not been extended, including the temporary 8 % arrangement for the construction of

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new buildings for young farmers. I know that the Council is excusing itself by saying that the Commission did not request an extension. A legal vacuum of this kind is unacceptable at a time when many young farmers are wondering about their future. They are being left in uncertainty, and I would therefore ask the Commission to view it as a matter of urgency for proposals to be put forward for an extension of structural measures in general and those relating to young farmers in particular.

But young farmers are feeling uncertain in other respects as well. If the Community ever takes decisions on a quota arrangement and production quotas, on which Parliament has, of course, delivered a favourable opinion, provision must certainly be made for exemptions in the case of young farmers who have only just taken over a farm or have submitted a development plan. They must continue to have the opportunity of developing in the normal way. This has nothing to do with privileges, Mr President and Mr Commissioner. It is simply a question of safeguarding the Community's future food supplies. At a time when so many young people in Europe find themselves in what is in some cases a hopeless situation as regards employment, it would be a disgrace to condemn young farmers wanting to take on a farm of their own to failure.

I also want to say that I, and my group, fully endorse the resolution that has been tabled by Mrs Martin. The opportunities young farmers have of taking over their parents' farms must be made more attractive by improving training and also the structure of farms.

I should also like to emphasize another aspect of Mrs Martin's report, the fact that young farmers are also country dwellers and as such want to be involved in a way of life that gives them a chance to develop in their families, their farms and their local society. There must be a better spread of administrative, social and cultural facilities between town and country to make life in the country more attractive to young people and stop the drift away from the land.

But — and this is something on which I must place particular emphasis — all these measures, however important they may be and however much members of governments and politicians must continue to bear them in mind, are no substitute for a price and market policy. This price and market policy must assure farmers generally and young farmers in particular of adequate incomes, and that is something we cannot emphasize enough. At this stage I would ask the Commissioner with a great deal of urgency what he is going to do about the extension of the structural measures, because that seems to me to be the most important thing at the moment.

Mr Turnèr (ED). — Mr President, the Legal Affairs Committee decided not to give an opinion on this

matter. We realized that the legal problems of dealing with young farmers' difficulties in different countries were enormous — problems of tenancy, heredity laws, taxation laws, all different — and that there was nothing we could really do at this stage. I believe that the Commission, if it is concerned with the problem of young farmers, has got to make a study of the different problems in each country, because they are all quite different, and there will be no single answer.

To give one example: young farmers in some countries are given preferential access to land but only if they are young farmers of that nationality. That clearly is totally contrary to EEC regulations, and I hope very much that the Commission will draw up a document showing the different problems facing young farmers in different countries. For instance, this report suggests that in some countries there is going to be a lot of land available because many farmers are 55 and over and will soon be retiring. That most certainly is not the case in Britain where there is an enormous land shortage. So, I do not think there is any common problem, and therefore there is no common solution.

I should like to suggest lastly, Mr President, that the EEC should consider regarding young farmers as small businessmen and giving them all the advantages that small businessmen have been recently given through the European Investment Bank and other sources. I believe the same thing should be done for small fishermen as well. That is a step we could take straight away.

Mr Adamou (COM). — *(GR)* Mr President, especially in view of today's conditions of huge unemployment, it is certainly an urgent necessity to encourage the establishment of young farmers, all the more so because young people make up 65% of the unemployed. In Greece, where 29% of the work-force are engaged in agriculture, which contributes 20% to the GNP, retaining young farmers in their areas of origin and consequently limiting migration to the cities, in which unemployment has topped the level of 300 000, is a particularly vital and topical measure. Of course, the whole problem hinges on the degree to which agricultural occupations enable them to survive, granted that the standard of living of the Greek agricultural population is declining from one year to the next, with the result that entire agricultural areas are being abandoned by the farmers. That is why — I stress again — measures for the establishment of young farmers are indissolubly linked to more general measures for developing the agricultural economy and for providing farmers with a tolerable standard of living.

Mr Kaspereit (DEP). — *(FR)* Mr President, I should like first of all to thank Mrs Martin for her report, which is an excellent statement of the case for the young farmers in our Community.

Kaspereit

It is particularly gratifying that it should have stemmed from a motion for a resolution tabled some time ago by a number of members of my group, the European Progressive Democrats.

Hitherto, Mr President, the Community has paid little attention to the problem of bringing new blood into agriculture. This is now a major problem, one which will become increasingly acute over the coming decade since, in view of the large numbers of farmers currently aged 55 or over, considerable acreages can be expected to come into the market in the not too distant future. However, there are too many constraints and too many problems for the transfer to the younger generation to be carried through under satisfactory conditions. Moreover, as I and fellow members of my group note with great regret, this problem is being compounded by another which is even more serious: the abandonment of land.

This, without any doubt, poses a serious threat to the future of agriculture, since it has to be acknowledged that the main factor accounting for the abandonment of farming land is the lack of incentive for young people to take over farms from those retiring. It should also be realized that, under present conditions, there are enormous difficulties involved in taking over a farm, not least the prohibitive costs.

Every effort should therefore be made to help young farmers establish themselves, since they represent the hope for tomorrow's agriculture. More than this, only if we begin now to use all available means to facilitate their establishment will we be able to secure economic survival and continued employment in many of the Community's regions, notably in my own country.

The problem is not going to be solved by the Commission's lightweight efforts under the terms of one of the 1972 series of socio-structural directives — a directive which, I would add, has proved an abject failure.

Direct aid must be granted to young farmers when they are setting up, either from Community funds or from some other source. It is virtually impossible today for a young person to take over a farm holding, however enthusiastic he may be, however great his desire to escape unemployment. The initial outlay for, say, 20 hectares, farm buildings, equipment and livestock is over 2 million francs. Those who set up on this basis are committing themselves to debts without even being able to tell whether they will ever manage to pay them off.

Training for young farmers should also be promoted, a point well made by Mrs Martin in her report. There is a long list of other measures which should also be taken, but my speaking time is too short for me to dwell on them.

Here again, our rapporteur has very accurately identified these needs, making appropriate recommendations for dealing with them. Purely agricultural

measures will not be enough to persuade all members of the younger generation in rural areas to remain there unless these areas are able to offer various services which are currently available in urban areas only. Hence the need for small and medium-sized industrial operations to be set up in the country, to prevent the drift to the towns, by young women in particular, since, although there are some women who run farms, with great determination, strength and courage (our rapporteur knows far better than I what is involved), we have no right to overlook all the others.

On behalf of my group, therefore, I invite the Commission to make a very close examination of the proposals put to it and to draw the positive conclusions that they indicate. This is the Commission which never tires of telling us that its primary concern with regard to the common agricultural policy is to secure its future. It should therefore realize that it is on the young that we rely to safeguard the future of his policy.

Our task, Mr President, is to lay the foundations for the Europe of tomorrow. This may have become a commonplace, but it bears repeating. In agriculture, the Europe of tomorrow is represented by our young farmers.

Mr Fernandez (COM), draftsman of an opinion for the Committee on Economic and Monetary Affairs. — (FR) Mr President, ladies and gentlemen, the establishment of young farmers is a matter of the greatest importance to the Community, on the one hand from the viewpoint of the development of agriculture, which is in need of the dynamism and competence of young farmers, given that 60% of the total number are aged over 50, and on the other hand because barely 150 000 young farmers are setting up in the Community each year. At this rate, the farming industry will go on losing vitality and will remain in jeopardy. There are already some regions where buyers can no longer be found for farms. At the same time, it would be shameful if young farmers who were unable to set themselves up were left with no alternative but to join the dole queues, which are already too long. In short, the establishment of young farmers in large numbers, sufficient to replace those retiring, is essential to the continuation of rural life in several regions.

There are many young people today who love the farming way of life and are keen to set up on their own holdings. Even so, they must have the prospect of satisfactory living and working conditions in keeping with the modern age. One of their priorities is security of income, at a decent level. This is an essential prerequisite, to be coupled with arrangements making it easier for young people to take up farming, and here of course we run into a complex set of problems relating to land, finance, social considerations and training. Measures have already been introduced in

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some Member States. In France, for instance, positive results have been achieved recently, with a significant recovery in the numbers of farmers setting themselves up. Nevertheless, there remain substantial disparities between Member States. It would therefore be useful to compile a list of national measures providing assistance to young farmers, so that they can be coordinated and improved.

It has to be admitted that the Community has hitherto paid very little attention to the problems of young farmers. It is possible to change this situation by bringing forward proposals for Community measures to supplement national policies. Member States could be encouraged to bring land prices under firmer control, to deter speculation and to facilitate the inheritance of farms. However, it is in the area of aid to farmers starting up and modernizing their holdings that the Community can make the most effective and appropriate contribution.

In this connection, the Committee on Economic and Monetary Affairs proposes the introduction by the Community of a series of financial measures to assist young farmers starting up in business: first, direct aid to assist start-up and modernization, along with subsidized loans at interest rates which could be varied according to the region and type of production; secondly, aid for vocational training; thirdly, support for the setting-up of deputizing services and the development of cooperatives in their various forms, since these organizations help young farmers to set up and remain in business. Our proposals coincide with or complement those of the Committee on Agriculture, whose analysis of the situation we endorse. Because we want to see a clear expression of the Community's commitment to the establishment of young farmers, we ask for an increase in the EAGGF Guidance Section appropriations for vocational training and we propose the creation of a new budget line in the EAGGF Guidance Section covering 'aid for the establishment of young farmers'.

Mrs Lizin (S). — (FR) Mr President, I should like first of all to ask Commissioner Dalsager to take steps to ensure that the legal basis for infrastructure measures does not lapse. That, I think, is extremely important. With regard to young farmers, I should like to stress, while of course agreeing with and supporting Mrs Martin's report, that it is important that Europe should not leave the Member States to do all the work required in this area, and that the Commission and we ourselves have very special responsibilities towards this section of the working population. There is therefore a great need for a range of legal instruments, and more particularly for a directive to provide various forms of direct aid to young farmers and, in addition, support for all facilities designed to smooth their path when taking up farming.

It is important that there should be support for associations of young farmers, and the Commissioner could, I think, propose concrete measures along these lines. Young farmers should also be given priority access to schemes concerned with marketing and distribution; in my opinion, they should have easier access to such facilities, bearing in mind this directive.

Another aspect of the opinion which should be taken into consideration in measures to encourage young people to take up or remain in farming is the need to ensure that the living conditions of young farmers' wives in particular are not too harsh. I am familiar with this problem, having drawn up a working report for the Committee of Inquiry on the situation of women in agriculture, and it is often this aspect which makes up young people's minds to leave farming. This is why I think that deputizing services have a very valuable role to play. I have tabled a motion for a resolution on this subject, and take this opportunity to ask the Commission what progress it has made with its draft directive on deputizing services and resources to finance them.

I should like to conclude, Mr President, by simply pointing out that in Wallonia — where there are virtually no employment opportunities in industry left for young people — we have a duty as responsible politicians to address ourselves to the problems of agriculture and find ways of enabling young people to remain in farming.

Mr Dalsager, Member of the Commission. — (DA) Mr President, I should first like to reply to the two speakers who raised the question of the political or legal vacuum following the expiry of these Directives on 31 December and say that the Commission has already had a first discussion of the proposal to extend the existing rules until the new proposals we have put forward are adopted — we hope, very soon. The Commission will, I hope next week, complete its discussion of this problem, so that we can avoid any such legal vacuum, if it should be a long time before the proposal can be considered by the Council and Parliament.

As regards the large number of good proposals which have been put forward here by most of the speakers on this matter, I presented a proposal for a review of the structural policy two months ago, which I think already contains most of the proposals which you have asked for here. If you study the Commission's proposal for a renewal of the structural policy, you will see that special consideration has been given to young farmers, that we have proposed special direct aid for them. The Danish word for 'farmer' — *landmand* — has the word for 'man' in it but does not reflect any distinction between men and women; we cannot say 'land-woman', but we can say 'farmer' without any distinction as to sex. We have gone to a great deal of trouble in this entire complex of legisla-

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tion not to discriminate between men and women, but to offer them all the same opportunities, regardless of sex. This applies to replacement arrangements, training facilities and establishment support — everything that has to do with farming. There is no discrimination against women in the proposed legislation. On the contrary, we have sought to exclude from the proposals anything which could have an effect of discriminating against women. I also agree with the view that there are a number of women in these times who really wish to establish themselves and work in agriculture. They will of course enjoy exactly the same terms as we are offering to men.

I am sorry that Mrs Martin is not here, as I would have taken the opportunity to thank her for her report. During the last part-session, when the Thareau report on the agricultural structure policy was discussed, I noted that Mr Thareau's views were broadly speaking in line with those of the Commission. I am happy to be able to say the same thing about the report prepared by Mrs Martin on young farmers.

The Commission is of course well aware of the special problems encountered by young people who choose farming as a livelihood. The costs of establishment, which have also been referred to in the debate, can be very high, and many of these farmers also have to contend with other financial obstacles in their attempts to build up productive farming enterprises. The Commission knows that there is a need to encourage and help these young farmers, on whom the future of agriculture itself depends.

I do of course understand Mr Turner when he says that there are many differences from one country to another. The legal situation for young farmers varies from one country to another, and the taxation position varies. The same can be said for many other things as well. The question of — let us say — speculation in agricultural land, also on the part of people outside farming, has also been a factor in forcing prices up in certain countries to such high levels that it is almost impossible for a young farmer to establish himself. On the subject of conducting a study, I think in fact that the Commission is in possession of all the relevant information on the situation in the various countries, since in many cases it is something the Commission has to devote its attention to because the countries are obliged to submit legislation concerning these matters to the Commission. I think therefore that we have at our disposal much of the information which Mr Turner may wish to have and, if the Legal Affairs Committee is interested, I am willing for my part and for that of my Directorate-General to supply the Legal Affairs Committee with information which may be of interest, if there is a wish to study this problem further.

When the Commission worked out the proposals for a new structural policy, to which I have already referred, we laid particular emphasis on meeting the wishes of young people in a number of ways. I will explain the

Commission's proposed procedure here, which to a large extent coincides with the remarks made by Mrs Martin in her report. To begin with, we thought it right to give young farmers special help right at the start of their careers, so we proposed an establishment premium, which is paid to all young farmers who set themselves up in farming, subject to certain conditions establishment qualifications and training. This corresponds to the first of Mrs Martin's proposals. Secondly, we proposed that young farmers who submit a farm improvement plan within a reasonable time after establishment should be eligible for additional investment support, more specifically 25% over and above the normal investment support. This support can be paid in the form of a capital grant or an interest reimbursement. Since it is expressed as a percentage of the normal support paid in the region concerned, there is in addition an automatic region-specific graduation of the value of this special support. I think Parliament will agree that these proposals are well in line with the second group of Mrs Martin's proposals. Thirdly, we proposed special support for supplementary training courses given to young farmers and their spouses — it can go both ways — i.e. an opportunity to acquire the qualifications we impose, so that they can enjoy the benefit of these special support measures if they do not already have these qualifications.

With regard to farms operated as joint ventures, I think that this question is of concern to all farmers. Since many measures apply to young and old alike, we have collected all our proposals into a single text. Our proposals thus embody rules for investment support to farms which are operated as joint ventures. In addition, we propose measures of support for the launching of joint ventures, the aim of which is to promote cooperation between farms, joint use of equipment or joint operation. In these areas too, therefore, the Commission's approach coincides with the suggestions put forward.

With regard to migration away from the land, I agree with Mrs Martin that this problem cannot be solved solely by means of farming support measures. I would stress, however, that the Community has, as an element in its regional policy, adopted measures for the establishment of small and medium-sized undertakings in those regions in which the problem is especially acute. I would also point out that, in conjunction with our proposals on the integrated Mediterranean programmes, we have put forward proposals on support to small and medium-sized undertakings and small craft undertakings.

I should also like to say a few words on farmers who cease to engage in farming in conjunction with the question of whether Directive 72/160 should be continued. We examined this question during the drafting of our proposals and decided not to continue this type of arrangement across the board, because the results to date had not been satisfactory. In our proposals for the

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integrated Mediterranean programmes, however, we have made provision for similar arrangements having the same intention but easier to implement. In opting for this procedure, we take into account that this type of arrangement does not take on the same importance for all regions in the Community.

Finally I would point out that some of the other proposals set forth by Mrs Martin concerning land policy are more suited to national legislation than to Community legislation, partly because of the considerable differences which exist between the rules applied in the various countries. With regard to the proposal to set up a European fund to guarantee loans to young farmers, I would point out that the resources available to us for loan guarantees, which form part of the support system, are contained in the Commission's proposals for improving the efficiency of agricultural structures.

Mr Marck (PPE). — (NL) I should like to thank the Commissioner for saying that measures will be proposed by the Commission. I would point out that the proposals will come too late for the measures to be adopted by the end of the year. At least Parliament cannot be accused of not delivering its opinion on time.

President. — The debate is closed.

The vote will be taken at the next voting time.

8. Measures to revive agriculture in the Region of Veneto

President. — The next item is the report (Doc. 1-908/83) by Mr Colleselli, on behalf of the Committee on Agriculture, on special Community measures to revive agriculture and forestry in the mountain and dolomite area of the Region of Veneto, through the recovery of land subject to hydrogeological degeneration.

Mr Colleselli (PPE), rapporteur. — (IT) Mr President, ladies and gentlemen, I was nominated by my group in the first place to table, together with other colleagues, a motion for a resolution, and now today, in the Committee on Agriculture, to act as rapporteur for this draft report on the subject just referred to by the President.

I will say at once that the reasons and explanations that I am placing before this Assembly for consideration today, just as they were considered yesterday by the Committee on Agriculture — which moreover adopted this resolution by a large majority — are the result, in the first place, of detailed and careful technical, scientific and administrative studies that were carried out on various parts of an area that has been the victim in recent years — and all of this represents a historically recurrent situation, as I have said in my explanation — of geological degradation, which has gravely compromised not only the farming industry

— which was once prosperous, albeit within the limitations to which mountain farming is subject — but also many other activities.

There are 18 zones concerned, according to the data provided by the technical surveys and programmes of the area's *Comunità Montane* — the 'Mountain Communities' — which are a new democratic institution that is giving excellent results in our country as an *autorégime* of the mountain populations.

Anyone wishing to go into the question more deeply — which, as I say, is of exceptional interest, though a source of grave concern — may refer to the 1975 Bulletin of the Italian Geological Department, which was published 10 years after the flooding of 1965-66, and which is renowned internationally not least for the number of those in agreement with it. It is entirely devoted to the subject, and we have studied it and used it as the basis for our reasoning.

With regard to the preamble, which sets out the historical background to the situation — I should like to refer to point (F), in which I refer — rightly, I believe — to the 'unanimous commitment of the Community bodies to work together to assist the less-favoured regions by means of suitable financial measures'. Obviously, these regions include the mountainous areas. Not without reason, therefore, are we proposing the extension of the specific directive of 1975 which, although it has not operated as it should have, may however help to satisfy certain claims for which we have spoken out.

With regard to the various paragraphs of the resolution, I would refer in particular to paragraph 3, which calls for: first, coordination of the financial instruments already available — and with this in view we have provided the competent offices of the Commission in recent months — as Commissioner Dalsager will certainly be aware — with very ample details, including maps; secondly, the extension to this region, with particular regard to the mountain area — which is well known, moreover — of the application of Community regulations and measures for which it has not hitherto been eligible.

I should like to make two further points with reference to paragraphs 4 and 5 which — if they are interpreted aright — refer to the general interests of the mountain regions, emphasizing past decisions of the Community. If, therefore, this motion appears of a sectoral nature for a given zone, clearly these two paragraphs — which were formulated partly through amendments accepted by the committee — reflect the needs of all the mountainous regions in the Community.

Finally, Mr President, I will first recall that, bearing in mind the reasoning on which it is based, this motion is in line — in both letter and spirit — with the decisions, or, rather, the resolutions, that were adopted here at the last plenary meeting in regard to the proposals on the disposition of the agricultural structures in

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the Community. I think that, precisely where the young are concerned, it is of fundamental importance for there to be some incentive, some encouragement, which is also now envisaged and hoped for in support of the proposals in the report just approved.

Secondly, it will be as well to emphasize the fact, which is very important, that in the new Commission proposals in relation to structural policy, Article 18 provides for possible extraordinary measures to deal with particularly serious situations of structural or infrastructural deficiencies. Such Community measures are directed, amongst other things — and we hope that the Council accepts the proposal, despite the difficulties of the moment, in the hope of a positive outcome — at the protection of the soil. Allow me, Mr President, at this point to launch an appeal to all countries to introduce measures for the protection of the soil — particularly strengthening the banks of mountain streams, afforestation, and the creation of infrastructures — so that the population of the mountain regions can continue to work, without fear for their jobs, without putting their very lives in danger because of this 'sword of Damocles' hanging over their heads in the form of the movement of the land on which they live. That is what we ask. And I would say that this might be — and I address this to the Commissioner responsible — the ideal formula for action to solve the problems not only of the area about which we are speaking, but of the entire territory of the Community, safeguarding not only our survival, but also that civilization that the peoples of the mountains in all the countries of the Community have always worthily represented.

(Applause)

Mr Gautier (S). — *(DE)* Mr President, ladies and gentlemen, the Socialist Group takes the view that this report cannot be supported in its present form for a number of reasons. Firstly, I would like to remind my colleague Mr Colleselli that Parliament agreed almost unanimously in the debate on the organization of the present structural funds — the Regional Fund, Social Fund, Agricultural Structural Fund — to concentrate funds on the poorest areas of the Community. We agreed unanimously that, for example, there was need for an integrated Mediterranean programme. We are all, in principle, in favour of doing something for the West of Ireland.

You now maintain that this must also apply to the Region of Veneto, and paragraph 3 calls for a coordination of these measures and for the Regional Fund to act in the Region of Veneto too. We cannot agree. Our information on the Region of Veneto contradicts your assertion that the region as a whole is one of the poorer regions and that all the statistics show that its regional structures are falling ever further behind. We checked this yesterday. The Region of Veneto has a rating of 92 % of the Community average and is thus one of the rich regions in Italy: not the richest, but one of the richer regions. In my opinion, our funds for Italy should be concentrated on southern Italy.

Secondly, we consider this report to be superfluous, since many of its demands fall within the sphere of the directive on mountain and hill farming. Subsidies are available: on the one hand individual subsidies for farmers, and also subsidies for collective measures in mountainous regions. The Commission's amended agricultural structures policy also provides for infrastructure aid, including aid to forestry. This is all covered by Commission proposals. The Dolomites are not an exception but fall within our overall policy for mountainous regions.

We believe, Mr Colleselli, and let me be quite frank, that this document is election propaganda, and the Socialists are not prepared to accept it. In our view, this report is unnecessary. The problems are covered by the general Community guidelines. We also consider the explanatory statement misleading.

Mr Ceravolo (COM). — *(IT)* Mr President, I share the view taken by Mr Colleselli of the question. I think that the problem is not so much a question of using the funds on the basis of general programmes and averages; in a region such as Veneto there are in effect areas that are particularly less-favoured and underdeveloped. Although the ecosystem of the Dolomite region is one of the most notable in Europe, it has a history of emigration and exodus, due to the decline of territory caused by the process of forced industrialization. Undoubtedly, the story of the Dolomites is the story of all less-favoured areas; but in this case the mountains have been abandoned by the population because here the meteoric phenomena of hydrogeological degeneration produce more serious effects.

This is precisely the case where the Dolomites are concerned. I would say that in 1966 the degeneration reached a disastrous level because of the emigration of the population that looked after the land.

We have to ensure that the structural funds are made available in a convergent manner to restore territorial equilibrium. One of the rules that we have approved is that these funds must be adequate to the need to restore territorial equilibrium throughout the Community. There is much to be done here, for example, in promoting an environmental strategy. I must deplore the fact that the Committee on the Environment, Public Health and Consumer Protection should have declined to give an opinion, seeing that in this case it is right to assume that the project is of an exemplary nature, since we are talking about exploiting the resources and promoting the return of the emigrants: there are emigrants from the Dolomites in every country of Europe and, as we know, there is today a tendency for them to return. If, with this in view, we want to create favourable conditions, we have to set up structural and infrastructural installations through convergent investment. I really believe that this will serve as a model for all the less-favoured regions and for all mountain regions in particular.

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The Commission really needs to conceive a project that can be used for all other similar areas. In this context, in addition to making use of the laws on less-favoured mountainous regions, we have to find structural funds, including the Social Fund, for example, for the purposes of vocational training. Finally, if we wish to see the reclamation of the mountains in terms of agrotourism, farming, and a reduction in the number of landslides, etc. — in terms, that is, of a rescue operation from the onslaught of hydrogeological degeneration — we also have to train the young who will have to come back.

I think, generally speaking, that all the structural funds of the Community must be brought into action so as to be able to implement a project of this kind, which is of an agricultural, touristic and environmental character — a project, that is, for the exploitation of resources.

For these reasons I support Mr Colleselli's proposal.

IN THE CHAIR: MR VANDEWIELE*Vice-President*

Mr Maher (L). — Mr President, I can support the Colleselli report and I congratulate Mr Colleselli on producing it, even though I come from a country that is in many ways different from the subject of the report in spite of having its own mountain regions. However, I support the report on the basis of solidarity, because I think it is important that we all recognize that people who live in difficult regions — difficult from a climatic point of view, difficult from a terrain point of view, difficult from an isolation point of view — are a declining race. People are tending more and more to leave these regions and go towards parts of their own countries or other parts of the Community where life is more pleasant.

We have to remember of course, there is considerable pressure on young people to make that move. No longer are they isolated in the sense that they cannot see what is happening in other parts of their own countries. They can look at television, for instance. They know how pleasant life can be in cities and towns, how easy it is to get around. If there is a snowfall, it does not mean that they are completely isolated in their homes. They can always get out, there are always services there to clear the roads for them, and so on. They have hospital services and all the services we are so familiar with, right on their doorstep or a bus ride away. That is not the case, however, in these regions.

I think we should do everything we possibly can to make life more pleasant for these people. Otherwise they are not going to stay. They are going to leave in spite of us. If they leave, then how are these areas to

be kept open? What happens if the tourists want to go to them in the summer? It is always very nice to fly over these places and look down at them from an aeroplane, they look beautiful, or to go there in mid-summer when the sun is shining and the roads are open. It is very pleasant indeed, and I have heard city people comment again and again how nice it is for the people who live in those regions. However, those same city people do not live there all the time. If they did, they would quickly learn the facts of life and would not stay there very long.

When Mr Gautier talks about this particular region being one with the highest income, I am a bit puzzled. If the incomes are so high there, why did the people not stay there? People tend to follow money. They go where the money is. But they have not stayed. They are not satisfied with the conditions of life. They move towards the more populated areas where life is easier and more pleasant.

Do you want to ask a question, Mr Gautier? I give way.

Mr Gautier (S). — Mr Maher, do you realize that we are not talking about the mountain and dolomite area only? The report is asking for financial commitments for the whole Veneto region. That is what we are objecting to. That is the point we want to make. We are not willing to support the flowers in Venice. That is the point we are making. We have nothing against the development of rural mountain areas, but this can be done under the mountain directive of the Community.

Mr Maher (L). — Mr Gautier, you can submit an amendment to that effect if you so wish. However, I am dealing specifically with the problems of people who live in these disadvantaged regions and I am emphasizing how important forestry is in this context in order to preserve the natural environment.

Mr Gatto (S). — *(IT)* Mr President, I am grateful to my group for allowing me to speak, although I disagree with the general view expressed within the group. Unlike Mr Gautier, I therefore support Mr Colleselli's report. I should not wish to be accused in my region, which is a poor one, of having given my assent to an initiative in support of the gondoliers of Venice — not because they do not deserve it, but because they do not deserve to have funds that are intended to be used for improving mountain regions.

Having said this, I should like to say that I see no contradiction whatever in the fact of there being measures of a general nature covering generalized areas that are backward and poor — such as, for example, the Mezzogiorno in Italy, the Midi in France, Greece, Ireland, and so on — whilst there are at the same time instruments of a specific nature devoted to special aspects of internal zones that are also pros-

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perous. About two years ago, at a meeting of the Committee on Agriculture in Berlin, I voted — and I do not regret it — for a measure in favour of the less-favoured areas of Germany; and I did this without jealousy, without rancour, in the belief that it is not true that the poor man who lives next to the rich man is no longer poor. He is still poor. The Commission has to consider — interpreting the will and feeling implicit in this report, and the will and feeling of Parliament — balanced instruments that will of course also involve the responsibility of the local institutions. It is inconceivable, in fact, when we are dealing with degraded and backward areas within relatively better-off areas, for the local institutions to have the same part to play as institutions operating in an absolutely under-favoured area.

We have therefore to tackle these things in a balanced manner because, if we really wish to build a Europe of integrity, we have to think of the poor, wherever they may be, regardless of the fact that they may sometimes have the misfortune to exist inside rich areas. Otherwise, in the end, mine would be the more-favoured zone because, since it was all poor, it could be assisted without hindrance.

I therefore express my feelings of solidarity with areas that, above all, I have known well. And I can give direct proof of this — I was there during the war, I returned 10 years later as a trades union executive, and then again as a Member of Parliament and an executive of my party. In the course of a lifetime, I have observed the decline that has taken place. Let us do something, giving responsibility to everyone — men and institutions alike — so that an economic recovery can take place that may serve as an example to other areas, wherever they may be, within the Community.

Mr Dalsager, Member of the Commission. — (DA) Mr President, I have listened to the debate with considerable interest and I have studied the information presented in Mr Colleselli's report on certain areas in the Veneto region. Clearly, the attention — mine included — was concentrated on the mountain regions, where they really do have problems, and not so much on those who sail around in gondolas. We do not pay too much attention to them in the farm policy context.

Regarding the disintegration of these areas which has been described and the increasing depopulation, I can say that it is the kind of development which is a source of considerable concern to the Commission too. As the situation is at present, the Veneto region can already take action within the framework of the existing arrangements, which may help to secure and develop the farms, pasturelands etc. in question. I would, for example, mention Directive 268 of 1975, the Hill Farming Directive and Directive 1944 of 1981, concerning incentives to stockrearing. These arrangements could be integrated with aids under the

other financial instruments which the Commission and the Community have at their disposal. But of course an initiative from the region in question is first required for such plans to be put into effect.

The Commission can go along with the desire for rapid adoption by the Council of the Commission's new proposal, No 559 of 1983, on structural policy. This proposal covers arrangements — especially under Article 18, which has also been referred to by Mr Colleselli — which provide for the possibility of intervening by means of special measures aimed at removing particularly serious structural or infrastructural obstacles.

To sum up, it must be said that the Commission at the present stage can only urgently request that the authorities responsible — at both regional and national level — on the one hand make full use of the instruments which already exist and, on the other hand, make as thorough and effective preparations as possible to implement the new instruments proposed, which the Commission hopes will be adopted at an early date.

Mr Colleselli (PPE), rapporteur. — (IT) Mr President, I know I have not the right to reply, but perhaps you will allow me to clear up a point — seeing that you have made this concession to two or three speakers who spoke before me — after having thanked those who have expressed unconditional support for the case that I put.

Mr Gautier said he was in possession of various facts, and figures, etc. I do not know whether they are equivalent to those that I have but, coming as I do from those parts, I think I am very much more credible than anyone who spends only a few days' holiday in those areas.

I therefore question his remarks on the Veneto region and everything else. I base my confidence in the consensus of the Assembly and all its Members on the integrity of my approach.

President. — The debate is closed.

The vote will be taken at the next voting time.

9. Fishery

President. — The next item is the joint debate on :

- the report by Mrs Péry (Doc. 1-1119/83), on behalf of the Committee on Agriculture, on Spanish fishing activities in the Community waters of the Atlantic in the light of the present situation and prospect of enlargement;
- the report by Mr d'Ormesson (Doc. 1-1117/83), on behalf of the Committee on Agriculture, on the problems raised by the accession of Spain to the European Community in the fisheries sector in the Eastern Central and South-East Atlantic and in the Mediterranean.

Mrs Péry (S), rapporteur. — (FR) Mr President, ladies and gentlemen, I am very much aware that I am presenting a report on a difficult subject in which it has been necessary to take account of conflicting interests in some areas. What I have to say will perhaps not be entirely to the liking of either the delegation of Community fishermen or the Members of the Cortes here today, whom I welcome.

The European Council in Athens was a failure. We all expressed our disappointment at this yesterday in the House. However, the negotiations preparatory to enlargement will be continuing during the six months of the French Presidency. In my view, the fisheries aspect is sufficiently important to be the subject of immediate discussions, to avoid the eventuality of fishermen's interests being overlooked in the rush of a final phase of the negotiations. Be that as it may, Mr President, the presence of the Spanish fishing fleet in Community waters is already a reality, whatever becomes of Spain's application.

It is for this reason that my report is in two parts, dealing with current problems and the prospect of accession respectively. The Spanish fishing fleet is very much larger than that of any of the existing Member States of the Community. It obtains 25 % of its total catch in Spanish waters, and 75 % in the economic zones of 30 other countries, with between 8 % and 9 % coming from Community waters. The extension of our waters to 200 miles in 1977 deprived Spain of traditional fishing grounds. Because of this, and in view of her status as an applicant State, the EEC authorized part of the Spanish fleet to continue fishing in Community waters, under the terms of the 1980 framework agreement between Spain and the Community, which on the other hand reduced the previous scale of Spanish fishing activity, with provision for a smaller number of vessels, smaller quotas, and compliance with the 12-mile exclusive zone, so that traditional rights were discontinued.

Relations at sea between Spanish fishermen and Community fishermen and surveillance services are not good currently. Incidents are commonplace, and sometimes serious. On the one hand, the Spanish fleet is accused of being provoking and taking advantage of its superior size, while on the other hand the Community is accused of issuing a *diktat*. Spanish fishermen sometimes choose to ignore the 1980 framework agreement, which is updated each year. And yet this is the first thing that we must secure: compliance with the agreements on fishing zones, the number of longliners, licences and quotas. This must be done so that we can damp down a tense situation and carry on the preparations for accession under the best possible conditions.

The second part of the subject calls for an approach embracing both the political and technical aspects. It

is true that the Spanish fleet has already undergone considerable reduction, affecting ports like Pasajes, Vigo and La Coruña, and the surrounding regions. We cannot ignore the economic and social difficulties that this reduction has caused, especially the impact on employment, and I am proposing that the Community should aid these regions, beginning with pre-accession aid, followed by an appropriate structural policy to cover the transitional period, and ultimate extension of the integrated Mediterranean programmes following accession. I nevertheless wish to bring home to our Spanish friends that the Community has itself also lost fishing grounds and that this has had a severe effect on ports like La Rochelle and Concarneau in France, or Hull and Grimsby in England.

Come what may, there is one fundamental fact which the negotiations will not be able to circumvent. Even though Spain offers a substantial market, the fish stocks in Community waters are limited. The ten Member States have not yet been able to reach agreement on the 1983 quotas, and the scientific opinions received give no ground for expecting any increase in TACs in the near future. I am accordingly proposing that the negotiations for accession should proceed on the basis of the 1980 framework agreement, annually updated.

Mr President, my five-minute allocation is already up. I have no time left for discussion of the various technical aspects involved in Spain's accession and must therefore refer honourable Members who are interested in these problems to the report. However, I must not end my presentation without referring to the need for the social aspects of the fishing industry to be taken into account. With the prospect of enlargement, which will make for wider differences, the need for harmonization of social security contributions, terms of employment, working conditions, safety regulations and vocational training is greater than ever.

It is my earnest hope that the talks between Spain and the Community will be set up on the best possible footing. It will be necessary to strengthen the surveillance of Community waters if a common fisheries policy is to be applied and adhered to. This will not be enough, however. It will also be necessary for every fisherman, whether of Spanish or Community nationality, to understand and accept the rules, which are essential to the maintenance of a workable arrangement.

Mr d'Ormesson (PPE), rapporteur. — (FR) Mr President, my report deals with the problems that Spain's accession raises in regard to fisheries in the Mediterranean and in the Eastern Central and South-East Atlantic. There would appear to be virtually no possibility of organizing a common policy on fisheries in the Mediterranean, for the fundamental reason that its

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fish stocks are so limited, coupled with the fact that there are other riparian countries in addition to Greece, Italy, France and Spain. On the other hand, it should be possible to organize a policy on fishing off the west coast of Africa, where Spanish and Soviet vessels are competing with each other currently, fishing under the terms of agreements which are in some cases open to criticism, since those concluded by the USSR authorize it to plunder the fish stocks in these waters in exchange for selling arms and sending detachments of Cubans, East Germans and Russians to the countries concerned, rather than helping them to develop their economies and combat hunger among their peoples.

In this connection, the statistics supplied to me by the FAO speak volumes and are more informative than long speeches; out of a total catch of some 6 500 000 tonnes a year about 2 455 000 tonnes are taken by the African riparian States and the remainder by foreign countries, led by the USSR with an annual catch of about 2 235 000 tonnes, followed by Spain with 655 000 tonnes, then Poland with 213 000 tonnes, the remainder being shared by several countries including all those in the Eastern Bloc.

In the light of this situation, the advantages of conclusion of agreements between the Community and the countries on the west coast of Africa more or less speak for themselves. First, by establishing appropriate rules, they would provide a basis for combating over-fishing. It must not be forgotten that sea fishing provides one of the staple components of the African diet. In the absence of discipline backed up by sanctions, stocks are being run down and certain species are disappearing.

Secondly, we cannot fail to appreciate the economic benefits to the Community, in view of the enormous problem that we have in the Mediterranean, to which no solution can be found, and, moreover, the reduction in fishing areas brought about by the 200-mile rule.

Thirdly, the political and strategic advantages are clear since, with Spain's forthcoming accession, Community fishing and surveillance vessels would gradually replace the Soviet and East European presence as and when agreements came up for renewal, since we would be able to offer the West African countries various benefits and guarantees as they came to consider renewal of their agreements.

I was anxious to bring this point to the attention of the European Parliament, and I have based the whole thinking of my report on this prospect. The main purpose of this report is to call for the organization of a conference between the countries of the Community and Spain and Portugal, so that we may jointly formulate proposals to be put in future to the African countries, just at the time when we are about to embark upon the Lomé III talks.

Here we have an initiative which could not fail to have a beneficial influence on the renewal of the Lomé Convention and the campaign against hunger in Africa. Here at last we have an opportunity for action in which a European will could emerge.

Ms Quin (S). — Mr President, while I would like to pay tribute to the work done by both rapporteurs, my own comments will really concentrate on the Péry report.

It is customary to applaud the work of rapporteurs, and I am very happy to do so in this case because I know what a lot of work Mrs Péry has done on this report and how she has mastered a complicated brief and also had extensive consultation with all the parties involved. With her I had the opportunity to visit some of the Spanish fishing ports and I must say I learned a lot from my visit about the importance of fishing to Spain, the size of the fleet, the dependence on fishing of certain ports and how some of these ports had had a very difficult time and also what a high consumption of fish per head of population Spain has. I certainly learned many parallels with fishing experience in my own country in recent years, particularly the problems that Spain has had with the loss of fishing opportunities in third country waters. Certainly, visiting the port of Pezaches in Spain I could see there the many vessels that were lying around useless and rusting, waiting to be scrapped, and that certainly reminded me of ports such as Hull in Britain which had been similarly affected in the past.

Although the fishing question is very important in the enlargement negotiations between Spain and the EEC, I certainly hope that this problem will be approached and resolved positively. I certainly would not like to see the enlargement negotiations founder on this particular issue. It is not an easy issue, however, because fishermen in the EEC have also had to accept sacrifices in favour of finding a common fishing policy. Therefore, fishermen in the EEC are obviously nervous about the prospects of a large fleet gaining additional rights in EEC waters. However, as I say, the Commission must approach this task both sensitively and imaginatively, realize the very valid interests on both sides and try and ensure that Spain is able to catch the species of fish it is particularly interested in fishing and that Spanish people consume. I also feel that it must be approached sympathetically. Again, if I can draw a parallel with my own country, I do not want Spain to feel that it is having to deal with a great series of *faits accomplis* and not being able to influence the negotiations that are taking place. We have learned in the past that when enlargement takes place and valid interests have not been taken into account beforehand, this can give rise to many long-running problems subsequently and we end up with a situation which is difficult to resolve and which does not seem to be in anyone's interest.

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Having said this, I am very happy to support the Péry report and would again like to pay tribute to the amount of work that she has done.

Mr Giummarra (PPE). — *(IT)* Mr President, the Péry report provides a complete picture of the problems associated with Spanish fishing activities, showing how these have arisen as a result of the introduction of the two hundred mile limit, and the proposed enlargement of the Community to include Spain, and outlining the current position. In the opinion of the Group of the European People's Party, it constitutes a valuable contribution to an understanding of the serious difficulties that the fishing question presents in the negotiations for Spain's entry into the Community.

The fundamental point in the report is the search for a harmonious connection between the particular aims of the Community — raising the level of income of the fishermen, protection of their living conditions — and the situation of the Spanish fishing industry. The Community's need for rational management of the fishery resources and of the structural policy designed to increase their productivity must, in fact, be linked with the particular aspects of the Spanish fishing industry. This — as Mr Péry has just reminded us — with a larger fishing fleet than that of all the other Member States, in terms both of tonnage and the number of ships, and with 75% of its catches taken in the exclusive economic zones of 30 other countries, presents quite a few problems in regard to the adaptation of regulations, the removal of tension between Community fishermen and Spanish fishermen, and the analysis and appraisal of the most significant aspects of the common fisheries policy — such as maritime surveillance, international relations, the organization of the markets, without forgetting the questions of access to resources, quota arrangements, structural issues and the social aspects.

Having considered the question of Spanish fishing activities and their implications in view of the forthcoming entry of Spain into the Community, the Group of the European People's Party is strongly convinced that the question of fisheries, in all its aspects, should be gone into fully and in the necessary detail in the present negotiations, so as to ensure that the legitimate interests of Community fishermen will not be trampled on, nor the equally legitimate aspirations of the Spanish fishermen dashed, in the final stage of negotiations.

Other important points in the report, in our view, are the call for protection of the fishermen of the different regions of the Community, by keeping the TACs and quotas at their present level, by the improvement of new techniques, by action with a view to specifying biologically sensitive areas for the protection of the species and by determining the amount of fishing which the Spanish fleet could be allowed.

On the point concerning the availability of resources for the surveillance of Community waters by the most modern means, such as aircraft and radar, the Group of the PPE calls for precise commitments on the part of the Commission. In fact, unless this condition is observed, there can be no talk of a common fisheries policy. We are convinced that vigilance and proper monitoring, whilst difficult, are indispensable elements for generating confidence, for breeding an awareness of coexistence and self-control, and for arriving at a system of mutual respect and self-discipline on the part of the fishermen.

The problems of the Spanish market, which is the second largest in the world, after the Japanese market, need particular attention in our view, with a special effort being directed at finding points of equilibrium between the interests of both sides, bearing in mind the unfavourable balance of trade of the countries of the Community, where sea products are concerned, and the progressive Spanish trade deficit.

Whilst the social aspects, safety and vocational training, which complete the picture of the Spanish fisheries sector, are clearly set out, they should be assessed with necessary caution, because they are depicted at a difficult moment of crisis and unemployment.

The possibility of extending the provisions of the structural policy for the fisheries to include Spain during the transition period, with the grant of pre-accession aid, and the possibility of extending the integrated Mediterranean programmes to include Spain's Atlantic coastline — under the plan to restore the balance between the southern and northern regions of Europe — has our full agreement. On the eve of Spain's entry into the Community, this is certainly a difficult period for the Spanish fishing industry which, like the fishing industries of the countries of the Community, is suffering the serious effects of the grave crisis that holds the fishing sector in its grip, and it is a crisis with many sad, dramatic social and economic consequences. The negotiations must make themselves responsible for all these aspects, especially measures to stamp out violence at sea, which is practised everywhere, though it is concealed.

(Applause)

Mr Provan (ED). — Mr President, Mrs Péry's report on Spanish fisheries is a major contribution to a very important subject in the negotiations on the enlargement of the Community. She is to be congratulated on the work that she has done. We welcome this report, Mr President, especially in the light of the work that has been done in the fisheries working group of this Parliament.

We have now got a common fisheries policy in the Community after years of indecision. We now have

Provan

our first inspectors to make sure that the policy is properly respected. Of course there are difficulties in negotiations over things like quotas at the present time. What we need now is very definitely a period of stability within the fisheries sector. This means that in the context of negotiations with Spain we need sober reflection and not wild and intemperate statements. There must be cool reflection on the basis of proper information. As Mrs Péry says in her report, the interests of fishermen must not be sacrificed.

In paragraph 5 of the motion for a resolution Mrs Péry says that each facet of the Spanish industry should be investigated and a report prepared by the Commission. The Commission must then go out, I submit, to the fishermen of the Community and tell them what the exact position is. Mrs Péry provides some useful statistics in her report. It is a pity that these have not included the latest ones available, but one can understand some of the reasons why this was not possible.

While there has been a decline in total Spanish vessel tonnage since 1976 and while the number of large vessels has declined also, almost every vessel category is larger than it was in 1970. In 1982, for instance, Spain still had more fishing vessels of one hundred gross registered tonnes and over than the members of the Community put together. I think that is highly significant. But mere numbers are not the only criterion. As Mrs Péry shows, some 80 % of Spanish vessels are over 10 years old. There is also the question of productivity. In 1982 the average value of Spanish landings was very similar to that of the Belgian landings, but Belgian fishermen on average landed \$ 52 000 per head while the Spanish fishermen averaged only \$ 12 000 per head.

Mr President, I have asked many questions of the Commission recently regarding the Spanish accession in the fisheries sector and I have been disappointed with some of my first answers from the Commission. I can assure them that I will be seeking further clarification on some of these questions and I am glad that the Commission is, in fact, going to be pressing the Spanish authorities on this matter. I hope that when all the figures and facts are available, they will make them freely available, not only to me, not only to this Parliament, but to the fishing sector of the Community.

Mrs Ewing (DEP). — Mr President, I must congratulate Mrs Péry on an analysis that we really have needed, an attempt to assess the seriousness of one of the problems attached to Spain's entry. Other speakers have given statistics about the size of that fleet, showing that it is two-and-a-half times the size of the UK fleet and that the tonnage caught is almost catching up with the total tonnage caught in the EEC. It is a very sizeable problem, and since 1975 I have

worked out that I must have made thirty speeches asking that this Parliament face the entry of Spain — which I personally welcome — instead of, ostrich-wise, pretending that the problem does not exist.

In common with the former Commissioner for Development, Mr Cheysson, I advocated for a long time some special consideration for the crying need of African countries to develop their fishing sectors. I agree with Mr D'Ormesson's statistics concerning the USSR and other countries which have abused their rights in these countries: they have taken everything and given nothing; the Russians are taking one fish out of eight and taking it back to Russia, and they have not given the training and facilities that they promised.

I welcome both reports, because Mrs Péry's is the analysis of this problem and Mr d'Ormesson's is the first bold step towards putting into a written form what many of us have advocated as a partial solution to the problem of the Spanish fleet. I understand that Mrs Péry has accepted my amendments, including the one about there being no room for the Spanish fleet in the North Sea, and if that is accepted I have no criticisms to make of Mrs Péry's report whatsoever, except to say that regrettably I shall be voting against paragraph 11. I do not think we can limit the tools of the fishing-fleet of the EEC; these have been pared down to a point where they cannot be pared down any more, and sacrifices cannot be called for from many dependent communities in the Community any further. With that reservation, I am totally indebted to Mrs Péry for all her work.

I now quickly turn to Mr d'Ormesson's report. By quoting the kind of statistics that Mr d'Ormesson has relied on for many years, the Lomé Convention, in which the ACP countries are meant to be our equal partners and are very sensitive to all questions of consultation, has set up a working group on fisheries, of which Mr Fich, a Socialist, and I are members, and we have to deal with Somalia and Mauritania. We are producing a report in Brazzaville, a definitive report on all our work. The ACP countries feel a little offended that they have not been consulted, and while I admire Mr d'Ormesson's first bold step, he has limited it to some ACP countries, and the gist of my amendments to his report is to recognize that this is going to be a very delicate matter with the ACP countries. If we bear in mind that the Spanish boats are four months at sea, there is no reason to limit particular ACP States to the ones that he has done. I admire the step he has taken; I just feel it is one that should be sent back to committee until Mr Bersani and the working group have had time to study it. In no way is that a criticism of the nature of the step that Mr d'Ormesson has taken: he is only following a suggestion that I have been putting to Parliament since 1975.

Ewing

These are the reasons for my amendments to Mr d'Ormesson's report. May I just say that this is almost the first time that the problem has been faced in this Parliament. Mrs Péry points to the fact that the Spaniards have a lot of hardships and so on, but let me just say that the number of boats that are being caught just now illegally fishing for species for which they have no licence is on the increase. Only last week in a Scottish court a boat was had up because it had had to report for treatment of a member of the crew who was ill and, lo and behold, it was fined £ 5 000 for disobeying all the rules. This is happening all the time: the treasury of Ireland is indebted to Spain because it has taken £ 3.2 million in fines because of illegal Spanish fishing. So let us realize that with the limited policing and the lack of a common fisheries policy — which this Parliament is not even prepared to regard as an urgent matter this week to my horror and astonishment, because we cannot even control our own internal CFP — it seems to me that it is only fair to tell the Spaniards where they are before they enter, to face the problem as Mrs Péry has done. With regard to Mr d'Ormesson's report, I would ask that he postpones it just to give time for all the relevant parties to be fully consulted.

Mr G. Fuchs (S). — *(FR)* Mr President, ladies and gentlemen, yesterday I listened as Mr Habsburg told us that, in his opinion, the Cuban troops must be withdrawn before there can be any peace in Angola and Namibia.

Today I have heard Mr d'Ormesson suggest to us that a useful contribution towards securing their withdrawal could be made by a blockade of the Socialist fishing fleet in the South Atlantic.

I am not one of those who attempt, in their ignorance or hypocrisy, to put politics and economics in separate compartments, but I have to say to the House that, in my view, the positions of both Mr Habsburg and Mr d'Ormesson reflect a thoroughly bad analysis of what is happening in southern Africa.

That said, I should like to express my disappointment that Parliament's Committee on Development and Cooperation has not been able to prepare an opinion on the report by Mr d'Ormesson.

This report contains a mass of interesting information ...

(Interruption by Mr d'Ormesson: 'Such generosity!')

But I always give credit where it is due, Mr d'Ormesson. I should have liked it to include a reference to the need for greater participation on the part of the African countries not only in the financial benefits of fisheries agreements that the Community may conclude with them but also in the development of their own industrial and non-industrial capacity for fishing their waters, since I believe that this can be an

important factor in the African continent's efforts to feed its populations, and I believe — if I may conclude — that the elimination of hunger, along with the disappearance of apartheid, of course, is the most reliable safeguard against increased interference in Africa by the big powers and the best way to earn still higher regard for the role played by our Community.

Mr Battersby (ED). — Mr President, I must congratulate Mrs Péry on her excellent and timely report and Mr d'Ormesson on his detailed and thought-promoting report, which takes us far beyond the limits of our own waters — and necessarily so.

The fisheries sector is an important and sensitive part of our negotiations with Spain. An agreement here is vital to the success of these negotiations. Spain, as we all know, is a great fishing nation and, as other speakers have pointed out, her middle water and distant water fleet is larger than the whole of the Community fleet. Her consumption of fish is greater than that in any Member State, her catch of consumption fish is higher than the catch of any individual Member State in the present Community. We recognize also that Spain cannot fully utilize her present fishing capacity and that the planning behind the expansion of the Spanish fleet in the 1960s and the early 1970s did not incorporate the concept of Community membership, and also that the reduction of fishing activities in Community waters has caused Spain many social problems. The virtual disappearance of the Hull distant water fleet in my own constituency comes immediately to mind and we, in the Community, have had, and still have, many similar problems to those at present being faced by Spain.

Resources are limited in our waters. Pressure on Community stocks is already very heavy and the quotas currently allocated to Spain are pushing us to the limit. We sympathize very much with Spain and her fishermen and I ask the Spanish fishermen to try to understand us. We are very hard pressed on fish and it will be very difficult, if not impossible, for us to increase the quotas available to Spain at present in Community waters. We must therefore help Spain to use her fleet in other areas and to adapt her fleet to membership of the Community. We have the greatest respect for Spain, we sympathize with her, but we must both take a realistic view of the fishing opportunities available and realize that the problem facing us is complex, difficult and will need much goodwill — a goodwill which can be damaged by occasional actions, such as overfishing, use of illegal mesh sizes, misreporting or non-reporting of catch, illegal entry into certain zones and so forth, all the usual violations of fisheries regulations by individual fishermen who, and often understandably, are putting their immediate livelihoods before the long-term common interest.

Battersby

I also believe that only good can come from the increasing personal contacts between parliamentarians and all relevant sectors of the Spanish fishing industry. I would like to say that representatives of the Spanish fishing industry will always be welcome in the fisheries working group when we discuss Spanish fisheries and the fisheries aspects of accession.

Mr Pisani, Member of the Commission. — (FR) The fisheries problem is one which I regard as very important in the course of my everyday duties, not only because it is essential to increase catches in the interests of the ACP and other developing countries but also because the development of fisheries agreements between the European Economic Community and the developing countries can provide the basis for mutual-interest ventures which will make for improved nutritional standards in those countries, promote their economic development and at the same time earn them much-needed foreign currency.

It is therefore because I am familiar with this problem that I am speaking on behalf of my colleague Mr Contogeorgis in the debate on the two excellent reports which have been presented. I am inclined to say that, whereas each of these two problems appears quite incapable of solution when considered in isolation, a natural solution presents itself when they are taken together.

Let us consider the statistical evidence. The European Economic Community is already dependent on external supplies of fish. The accession of Spain and Portugal to the European Economic Community will considerably increase its dependence on external fish supplies. Consequently, if we view the problems raised by enlargement to include Spain and Portugal essentially in terms of European waters, we know that there can be no solution. On the other hand, if we face up to this difficulty, as we must, since there can be no question of cheating or short-changing Spain, and approach the problem in the terms proposed by d'Ormesson, then we can be reasonably confident that a solution can be found.

The Commission's position is very clear, therefore. First, the technical discussions and the talks on fisheries within the framework of the overall negotiations on enlargement must be expedited. Too much time has been lost, we do not yet have enough information, and the process needs to be accelerated. Secondly, it will be necessary during the negotiations to make arrangements ensuring equal, fair treatment of all fishermen in the Community within an appropriate time limit. Thirdly, only insofar as the European Economic Community, which is responsible for fisheries policy, is successful in securing access to fish stocks by concluding agreements with various third countries will we manage to resolve this clash of interests between Spain and Portugal on the one hand and the

fleets of the ten existing Member States on the other. Finally, our ability to conduct a reasonable policy depends on our success in formulating fisheries agreements of mutual interest, in other words agreements which are not only advantageous to ourselves but also profitable to the third countries concerned, whether in Africa or elsewhere.

In this connection, I should like to deal with a very specific point: the fisheries agreements that we conclude with the ACP States among others are not directly linked to the Lomé Convention, but are quite separate from it. They are mutual-interest agreements, so that there must be benefits for both parties. The benefit to the European Economic Community is access to additional stocks. The benefits to the African or other countries entering into such fisheries agreements with the Community are as follows: first, adherence to catch quotas, so that their waters are not plundered; secondly, maintenance of effective surveillance; thirdly, training for local fishermen; fourthly, the assurance of landings of suitable quantities of fish on the coasts concerned; and fifthly, development of local small-scale fishing industries. Starting from the basis that I have just outlined and taking account of the very fine reports prepared by Mrs Péry and Mr d'Ormesson, the Commission intends to pursue its investigations along the lines indicated by the rapporteurs and other speakers, and to present its conclusions at an appropriate date. In the meantime it intends to conduct or take part in the negotiations on enlargement in a spirit of determination to find a solution to the problem confronting us.

President. — The debate is closed.

The vote will be taken at the next voting time.

(The sitting was suspended at 12.55 p.m. and resumed at 3 p.m.)

IN THE CHAIR: LADY ELLES

Vice-President

10. Agenda

President. — Since Parliament has got further ahead with its proceedings than was anticipated, the enlarged Bureau instructed me this morning at its meeting to propose to the House that the report (Doc. 1-768/83) by Mr Kyrkos on the ERDF and the report (Doc. 1-1026/83) by Mr Gendebien on regional planning should be brought forward to this afternoon's sitting immediately after Question Time, which means about 4.30 p.m. Both these reports were initially scheduled to be taken tomorrow. The rapporteurs have been informed and have agreed to this procedure.

Are there any objections?

Mrs Ewing (DEP). — Madam President, it is not really an objection, it is more of a question on the procedure following your announcement. What will be the effect, if any, on the speaking time for the groups? Obviously the groups could not take this change into account when speaking time was allotted and when they made their own internal arrangements. This creates problems, certainly in my group.

President. — The time, Mrs Ewing, is, of course, allotted for the day, so the time that you have in hand will still be in hand for you on these reports.

Mrs Elaine Kellett-Bowman (ED). — Madam President, I am opposed in principle to changing the agenda. You very kindly notified the House that the rapporteurs had been informed, but what about those other people who have so planned their week that they will be speaking on Thursday? Everybody has other commitments in this place. It is only by chance that some of us are here now and know that these two reports may well be introduced. But it really is too erratic, if I may say so, for the Bureau to bring these reports forward when people have made other arrangements and may well not be here. They may well then be considered laggards by their constituents because they were not present for a debate which they had anticipated being on another day.

President. — That will never happen to you, Mrs Kellett-Bowman, I am quite certain.

However, what I was saying was that, because we have advanced further than expected in our work, it has been proposed that these two reports should be taken this afternoon. I think it would be regrettable if we had to suspend the sitting for an hour when the two rapporteurs have been approached and would have no objection. I absolutely accept your comments, Mrs Kellett-Bowman, but I hope that I do not have to take that as an objection to carrying on with these reports after Question Time.

It is so agreed¹.

11. Question Time

President. — The next item is the second part of Question Time (Doc. 1-1164/83): Questions to the Commission.

Question No 37, by Mr Kazazis (H-238/83):

On the initiative of the European Parliament, the Commission set up Article 772 ('Community measures for certain crisis-hit industrial sectors') and wrote a token entry into the 1983 budget. In the present economic state of recession and loss of competitiveness at international level in which

many sectors of the Community find themselves, and to make a stand against the difficulties arising from international competition, the rise in the price of energy and the application of new technologies, the Commission should have respected the unanimous wish of the European Parliament and activated that article when implementing the 1983 budget. Instead, the Commission arbitrarily deleted Article 772 from the 1983 preliminary draft budget. Can the Commission tell us why it was deleted (has European industry recovered its competitiveness in the meanwhile)? And does the Commission intend to rectify this mistake?

Mr Tugendhat, Vice-President of the Commission. — Article 772 of the general budget for 1983 — that is, Community measures for certain industrial activities — contained two items: Item 7720, aid for certain crisis-hit industrial sectors, for which no financial provision was made in 1983, and Item 7721, Community measures for the industrial modernization and development of the less developed Member States, which carried a token entry. Item 7720 replaced Item 3750, which had covered industrial restructuring and conversion operations. Since the Council was unable to reach agreement on a general regulation to govern implementation of the item, the Commission withdrew its proposal. The Commission is against retaining Item 7721 for the reasons it set out in its answer to Written Question No 2281/82 by Mrs Nikolaou, the text of which will be available to the honourable Member.

It was with this in mind that the Community's structural financial instruments, such as the European Regional Development Fund, the European Social Fund, the Coal and Steel Fund, the New Community Instrument and the European Investment Bank, were developed. These instruments already meet a significant proportion of the requirements which Parliament had in view when the new Item 7721 was created in the 1983 budget.

The implementation of the integrated Mediterranean programmes, which the Commission proposed to the Council in March 1983, should contribute even further to the development of the industrial fabric of some of the Community's less favoured regions. The programme for Greece covers the entire country, except for the prefecture of Attiki and the urban area of Thessaloniki.

Mr Kazazis (PPE). — (GR) I thank the Commissioner for his answer, concerning which I would, however, like to make a few comments.

Firstly, I do not think the structural financial instruments will be depleted by any new interventions in areas affected by industrial weakness; in fact such interventions have not proved particularly costly up to now. As for the integrated Mediterranean programmes,

¹ Topical and urgent debate (Objections): See Minutes.

Kazazis

the non-agricultural activities envisaged and proposed by the Commission in its proposed Regulation relate to a restricted amount of work, mainly concerning the surplus work force that is likely to be created by structural interventions in the agricultural sector. However, the sums set aside for this work are quite inadequate. Thus, I do not think the Commission was right to delete Article 772 from the budget, granted that the needs of areas affected by industrial weakness are extremely acute.

President. — Question No 38 is held over until January at the request of the author.

Question No 40, by Mr Habsburg (H-312/83/rev.):

Further to the written reply given by the Commission to my Question No H-203/83¹ on 6 July 1983, I should appreciate a reply to the following question:

What are the special provisions applying to imports from countries with a centralized planned economy and a foreign trade monopoly to which the Commission's reply refers, and does the Commission really believe that they offset the distorting effect on competition of the current policies pursued by the Communist state-trading countries or afford our economy adequate protection?

Mr Narjes, Member of the Commission. — (DE) The following special provisions apply to imports from state-trading nations: unilateral restrictions by the Community on imports of particularly sensitive products, e.g. wood, paper, glass, ceramics and others; voluntary restrictions where there are textile or steel agreements, which is the case with Bulgaria, Hungary, Poland, Rumania and Czechoslovakia; where trade agreements exist, such as with China or Rumania, there are protective clauses to enable special measures to be taken if the market equilibrium is disrupted. In all other cases the usual anti-dumping rules apply. Particular account is taken of the fact that, under the economic system in these countries, the state fixes, or at least monitors, export prices.

The Commission believes that these provisions are generally sufficient to avoid the negative effects of foreign trade monopolies. There will be even greater protection once the Council of Ministers adopts the Commission proposal on additional measures against unfair trade practices. Parliament has already delivered a favourable opinion.

Mr Habsburg (PPE). — (DE) While thanking the Commissioner for his reply, I would like to put a further question relating to the second part of my original query. Is our economy really adequately protected, in particular as regards the distortion of competition in Berlin by fuel exports? We must not

forget that the Soviet Union and all other Eastern bloc countries always have political goals in mind when deciding on economic measures, with the aim of perverting our social structure and weakening our resistance to aggression from the East.

Mr Narjes. — (DE) I am sure the honourable Member will agree that neither of us fails to recognize or underestimates the political motives behind trade policy. Since the question referred to East-West trade, my reply dealt with East-West trade in the normal sense, and different rules apply to relations between the Federal Republic, including Berlin, and the GDR.

President. — I now see that Mr Israël is in his place. I understand that it was not possible for him to be here at 3 p.m., so if there is no objection I shall put his question to the Commission.

Mrs Elaine Kellett-Bowman (ED). — Do you not think that is a precedent, Madam President?

President. — It is not a precedent, Mrs Kellett-Bowman...

Mrs Elaine Kellett-Bowman (ED). — It is a precedent.

President. — Mrs Kellett-Bowman, if you would kindly allow me to finish my sentence; I have often done this before for Members who have been held up for a specific reason. It is by no means the first time that I have done so. Where a specific reason was given, I have nearly always been able to accommodate a Member who was delayed.

Question No 39, by Mr Israël (H-285/83):

Will President Thorn, as the Member of the Commission responsible for cultural affairs and education, attempt to persuade his colleagues of the desirability of drawing up proposals for submission to the Council on the basis of the report adopted by the European Parliament on 18 October 1982 on the teaching of human rights in the European Community?

Is the teaching of human rights, particularly in civil service, military and police colleges, not considered sufficiently important to justify action by the Commission?

Mr Ortoli, Vice-President of the Commission. — (FR) In replying to this question, I am adding to the peculiarity of the proceedings, since the question was put specifically to Mr Thorn as the Member of the Commission responsible for cultural affairs. Mr Thorn is appearing before one of Parliament's committees at the moment. I would remind the House that an identical question has already been answered by Mr Richard, who is responsible for education, employment and social policy, and I can only confirm the reply given by Mr Richard to Mr Israël.

¹ Debates of the European Parliament, No 1-302, p. 168.

Ortoli

With regard to the more specific aspect of the question — inclusion of the teaching of human rights in the training of police, prison staff and members of the armed forces — I would remind the honourable Member that the Commission has no authority to intervene in this field, which is outside the competence of the Community.

Mr Pearce (ED). — Madam President, on a point of order, I wonder whether you appreciate how difficult it is for humble Members to spot which set of rules is to be used at Question Time, depending upon the person who is occupying the Chair. There seems to be a different set for every one of our twelve vice-presidents. It is extremely difficult. Can the Bureau not fix some rules and then, perhaps most difficult of all, get the vice-presidents who occupy the Chair actually to follow them? Would you not agree, Madam President, that that would be a good course of action?

President. — I entirely agree, Mr Pearce.

Mr Israël (DEP). — (FR) Madam President, I am most grateful to you for being so understanding. I was in fact at an extremely important meeting about a parliamentary journey that I have to undertake on behalf of everyone here, and I was after all only 30 to 35 seconds late, for which please accept my sincere apologies.

The Commissioner's reply was as disappointing as the previous answers. Briefly, for the benefit of the House, Mr Richard has indicated to me on numerous occasions that, in view of the existence of the Council of Europe and Unesco, there is no call for the European Community to define its position on the teaching of human rights.

My question, then, is this: do we have to wait until Zambia or Tanzania agrees, in the framework of Unesco, before we promote the teaching of human rights in the European Community, do we have to wait until Cyprus and Malta agree, in the framework of the Council of Europe, before we promote the teaching of human rights in the European Community?

Mr Ortoli. — (FR) I attach as much importance as Mr Israël does to human rights and the teaching of them. I would simply remind Mr Israël that this matter, as I have said, is outside the competence of the Community.

Mr Beazley (ED). — When the Commission is dealing with the teaching of human rights, would it consider that its counterpart, the teaching of human responsibilities, should be taken with it?

Mr Ortoli. — (FR) I am convinced that if one wishes to teach human rights — and I believe that this would be very useful — one can include all the forms of civic education which necessarily go into the making of a citizen.

President. — Question No 41, by Mr Lomas (H-338/83):

A report has been published in a British newspaper, *The Observer*, stating that the following companies in South Africa are breaking the EEC Code of Conduct, by paying wages below even the EEC's rather modest minimum recommendations:

British Electric Traction

Quinton Hazell (of which the British Prime Minister's husband is a director)

Dunlop

GKN

Lonrho

Low and Bonar

Turner and Newall

Wimpey.

Does the Commission propose to take any action to remedy this disgraceful state of affairs?

Lord Harmar-Nicholls (ED). — Madam President, on a point of order, do questions have to pass any test as to their propriety before they figure officially on the agenda issued by Parliament? Part of this particular question, which you have just called, is as spiteful as it is stupid, and whilst Members have privileges as regards protection for what they do, we ought not to allow the House to be used as a platform for this kind of spiteful innuendo. Is there any test that it has to pass before it appears in print on the agenda of this House?

President. — Lord Harmar-Nicholls, in paragraph 1 of Annex I of your Rules of Procedure, there is a list of grounds on which questions shall be admissible. As long as they fall within the competence and sphere of responsibility of the Commission, Council or Foreign Ministers meeting in political cooperation and are of general interest, they are admissible. There are also other conditions which apply. From my own reading of this question I think there is no reason to exclude it, but perhaps we shall have an answer to this question from the Commission.

Mr Pearce (ED). — Madam President, the fifth indent of Annex I, paragraph 1, says:

'Questions shall be admissible only where they do not contain assertions or opinions.'

This question includes an assertion. Whether it is a fact or an opinion I do not know. It is gratuitous. It forms no part of the question and is not relevant. I therefore urge you most strongly to rule the question out of order.

If you do that, Madam President, I hope you will not do what has been done on previous occasions and say that because we have gone to all the expense of

Pearce

having it printed and so on, we will let it through this time. This goes on and on and on. Look in the records and see how often I have referred to this thing. It is time that somebody put their foot down and followed the Rules.

Madam President, I am delighted that you stated a moment or two ago that the Rules should be followed. So please follow this Rule now. Rule this question out of order and move onto the next question.

Mr Marshall (ED). — Madam President, on a point of order, a previous question of mine described the Arab boycott as 'heinous', but the President of Parliament ruled it out of order. I would like to know what the difference is between 'heinous' and 'disgraceful'. I would have said that both are adjectives and that this question should go the way of mine.

President. — The fact of the matter is that as the question is worded, it is merely quoting what is in a report. What Mr Lomas is asking, as I understand it, is whether this report is correct. The answer may well be that it is not correct. The question does not — as I read it — express the personal opinion of Mr Lomas.

Mr Lomas (S). — Madam President, would you allow me to make a personal statement, since last month in this Chamber I was accused of telling lies with regard to this question? That has been repeated today, and I ask you now, Madam President, in fairness, to give me one minute to make a personal statement in reply to accusations of lying to this Chamber. I hope you will do that, Madam President, particularly since the Members who are doing this are all from your own group.

President. — Mr Lomas, you will have the opportunity to do this at the end of Question Time. I must admit that, having now read the question in full, I think the comment that has been added to what the report contains is an assertion and an opinion, and as such I must rule this question out of order.

(Applause)

What is quite clear, as I said at the outset, is that this question contains facts and figures which appear to have been reported in a newspaper. What is not admissible is the last sentence containing the comment: 'to remedy this disgraceful state of affairs'. It is not for a Member to comment with an assertion or an opinion, as laid down in the Annex and the guidelines. If there had been no adjective or adverb describing the nature of this affair, this question would have been perfectly admissible, as I said in the first place.

What I am going to suggest to the presidency is that these questions should be very much more carefully checked before they appear on paper. This applies, Mr Lomas, to questions put by any political group, be it from the right or the left of this House. This is not a matter of discrimination.

Mr Lomas, you have just been told that assertions and opinions are not acceptable in questions. I therefore

do not accept your personal statements and assertions as to how this matter is being treated. I have to follow the Rules of Procedure. It has been pointed out to me that in accordance with the Rules of Procedure this question is inadmissible. If next month you wish to re-word this question in a way which does not contain an opinion or a personal assertion, then of course the question would be admissible. However, I will certainly bring it to the notice of the presidency that these questions should be studied more carefully before they are tabled.

Mr Griffiths (S). — Madam President, I want you to consider this question again. The question points out quite correctly that a certain number of companies in Britain are paying wages that are below the EEC recommended minimum. Therefore, it is perfectly natural that anybody who inspected this question would have thought the adjective 'disgraceful' was quite appropriate to the situation. Therefore, I do not think it is an assertion. I would ask you to rule that the question is perfectly in order, that it is a disgraceful state of affairs; we do want to know what the Commission is going to do about it. I ask you to reconsider this because it is most important. If this is not disgraceful, what is?

President. — Mr Griffiths, I have given a decision on this particular question. I have ruled it inadmissible in accordance with Annex I. If Mr Lomas wishes to re-word his question next time in a way which does not contain a personal assertion, it will be perfectly admissible.

(Interruption)

I will not accept any more points of order on this particular matter.

As the authors are not present, Questions No 42 and 43 will be answered in writing.¹

Question No 44 by Mr Normanton (H-457/83):

To ask the Commission what action they propose to take in respect of the claim submitted by the National Farmers' Union of Britain in respect of the widespread damage caused to the horticultural and farming interests of Cheshire by the violent storms which occurred on 7 January 1983?

Mr Richard, Member of the Commission. — In June 1983 the Commission received a request for aid from horticulturists who suffered from the storm which hit certain parts of the United Kingdom in, I think, the month of June 1983, and not January as asserted in the honourable Member's question. The regions affected by the storm included, in particular, the county of Cheshire. The request has been examined in detail by the Commission's services in order to ascertain whether it could be considered favourably, either in the framework of aid to Community citizens who fall victim to catastrophes — under chapter 690

¹ See Annex II.

Richard

of the budget — or in the context of expenditure in the agricultural field, either under Chapter 38 or under the EAGGF Guidance Fund headings. I regret to say the examination of the request did not lead to a favourable opinion by the Commission, and this result was transmitted to the Secretary of State for Agriculture, Mr Jopling, as well as to the National Farmers' Union, at the beginning of October.

If I could just repeat the explanation here, it was first considered with regard to eligibility for emergency aid under budget Chapter 690 which goes to the victims of natural disasters on a major scale. However, this is normally treated as meaning only disasters where people have actually lost their lives or been washed out of house and home, and I am afraid your application was felt not to qualify.

We also considered whether monies could be made available from the EAGGF Guarantee and Guidance Section or elsewhere, as, for example, Chapter 38 of the 1983 budget. There is unfortunately no legal machinery for the Commission to pay out direct aid — it has to submit a specific proposal to the Council of Ministers. As you know, the financial situation is very tight just now. If the Commission did decide to act in this particular instance, it would promptly find itself faced with a string of similar applications, since damage was also suffered locally in other parts of the Community too, and we would be quite unable to respond to them all.

That is the explanation that was given to the Secretary of State for Agriculture in October, and I am grateful for having the opportunity of repeating it.

Mr Normanton (ED). — I wish I could say I should like to thank the Commissioner for his reply, but, in fact, I deeply regret the decision taken by the Commission in respect of a claim from many of my constituents and many of those of my honourable friend, Mr Andrew Pearce. Having only three days ago received a list of similar examples and studied them carefully, I am completely convinced that this is a classical example of a case where a second think by the Commission would be equitable and highly desirable. May I, therefore, urge the Commission to take one more look at the claim from my constituents, and see if there is not, after all, just as much merit in their claim as that which I have seen in many more claims of which I have written record here if the Commissioner wants to see them.

Mr Richard. — The Commission is always prepared to look at anything that an honourable gentleman wants to put in front of us. On the other hand, seductive though this suggestion is, I would have to say that if I looked at it again, I could give him no undertaking at all that we would come to a different conclusion.

Mr Cottrell (ED). — I would just like to ask the Commissioner if he could give us a little more information on whether claims were received from other individuals, other than those represented by the National Farmers' Union? If widespread damage was caused in Cheshire, it would be reasonable to assume that other interests had suffered as well. Is the Commissioner aware of any special pleading made by any organizations other than those represented by the NFU?

Mr Richard. — I am not. But I would have to say that that may be because the question is specifically framed in relation to the claim submitted by the NFU. If there were other claims and anybody wants to ask a question about them, of course, we would be happy to answer.

President. — Question No 45, by Mr Nyborg (H-471/83):

A Danish citizen travelling by train from Brussels to Paris on 1 October 1983 was confronted with a new document that had to be completed at the French frontier.

It is an orange card, entitled Carte de Controle Entrée-Sortie, and bears the codes 0.006.5106 (ex o.13.1708) (TR 1 C 3). The traveller has to enter his/her name and where appropriate maiden name, date and place of birth, nationality, place of residence, occupation and date and place at which the frontier is crossed.

The orange card, which is for the use of the French police, has to be completed only by travellers not of French nationality.

How does the Commission intend to impress on the Member States that Community citizens are tired of costly and time-consuming trivialities at frontiers and that the Member States must learn to remove rather than increase the formalities that complicate intra-Community travel?

Mr Narjes, Member of the Commission. — (DE) The Commission investigated the matter raised by the honourable Member for its reply to Mr Bangemann's written question on the same subject. We came to the conclusion that these control cards indeed contravene the EEC Treaty. After careful consideration, however, the Commission decided that, as with aeroplane landing cards, we cannot demand that these control cards should be abolished, as long as a general system of identity checks is allowed, and also provided the following special circumstances apply.

The French authorities have informed the Commission that only couchette and sleeping car passengers are requested to fill in these control cards in addition to passport or identity card checks. This is done to avoid waking these travellers at the border for the checks still permitted under Community law.

Narjes

According to the Commission's information, couchette and sleeping car passengers are in fact left to sleep unless the police have well-founded grounds for suspicion. In view of the obvious benefits for sleeping passengers, the Commission thinks it reasonable to refrain from pursuing the matter with the French authorities. However, I would stress that both the Commission and Parliament must continue their efforts to achieve complete removal of checks at internal Community borders.

If the Member has verifiable information that in this particular case these special circumstances did not apply, then the Commission is only too willing to take action.

Mr Nyborg (DEP). — (DA) I should like to thank Commissioner Narjes for the reply we have received but would add that the person to whom this happened was neither in a couchette car nor in a sleeping car. It happened in broad daylight and, as far as I know, no such formalities have been required of motorists, pedestrians or cyclists. Why should there be discrimination against those who travel by train? This incident took place on a train journey from Brussels to Paris.

Mr Narjes. — (DE) We would be grateful for the date, time and, if possible, names. The Commission would take immediate action.

Mr Megahy (S). — This is a point of order, Madam President, and I apologize for not having been able to raise this at the beginning of the question. What I want to know is why you did not rule this question out of order as you did the previous one by Mr Lomas, because it does contain assertions every bit as much as the question by Mr Lomas. It says 'Community citizens are tired of costly and time-consuming trivialities at frontiers'. That is a very categorical statement, just as categorical as 'a disgraceful state of affairs'. What I want to know is why you chose to rule out the question of my colleague Mr Lomas and not this question. If your ruling is to be consistent, you ought to have ruled this one out as well.

President. — Mr Megahy, I think that that is a very unreasonable comment. In Question No 41 it was clearly a personal opinion and an assertion. This is a matter of fact.

Mr Pearce (ED). — Would the Commission accept my understanding of the situation, which is that a lot of the people who check passports at frontiers are badly trained? I had a case with a child who has other children on the passport, and it took half-an-hour's legal discussion with French passport officers to see whether this British passport was valid. Does the Commissioner agree that quite a lot of the people exercising these ridiculous checks at frontiers are

badly trained and that the only real purpose served by a great deal of this is that it keeps unemployment down in frontier regions?

Mr Narjes. — (DE) The Commission can never exclude the theoretical possibility that officials at the borders of the Member States are inadequately trained, or are not fully informed of the relevant laws.

President. — Question No 46, by Mr Wedekind (H-368/83):¹

An example of discrimination against foreign inland waterway operators has recently been noted in France.

A levy of 10% is charged solely in respect of trans-frontier waterway shipments by foreign operators and individuals, this levy being refunded in the case of French operators.

— Does the Commission not agree that this requirement, resembling as it does the mediaeval system of tolls, constitutes an infringement of the EEC Treaty?

— How does the Commission intend to discharge its duty under the Treaty and ensure that the provisions of the Treaty are respected in this case?

Mr Andriessen, Member of the Commission. — (NL) The measures to which Mr Wedekind's question refers were the subject of Question No 744/83 by Mr Aerssen. The Commission's answer to that question appeared in the Official Journal of the Communities on 24 October 1983 and described the nature of the 10% levy that was introduced in France on 15 June 1983 and the retaliatory measures taken by Belgium and the Netherlands at that time.

I feel I should refer you to this answer for a description of the situation. The Commission's services believe that the measures taken in these three countries may conflict with the rules laid down in the Treaty — and specifically the rules on competition — because they may result in different conditions governing the same services provided by inland waterway shippers and may therefore be discriminatory.

As early as 29 July 1983 the Commission's services warned all the undertakings concerned that, if these measures continued, they might have to propose the initiation of a procedure for a decision banning such practices on the basis of Council Regulation No 1017/68 and the imposition of sanctions in the event of a recurrence. I assume that it was partly as a result of this warning that the measures were discontinued, in Belgium and the Netherlands on 16 September

¹ Former oral question without debate (0-49/83), converted into a question for Question Time.

Andriessen

1983 and in France on 17 October 1983. So far, however, none of the three countries has repaid the sums collected.

The Commission is consequently still considering what action it should take in this respect. If a satisfactory solution to the question of repayment can be found, there will, of course, be no reason for the Commission to take more formal action.

President. — Question No 47, by Sir James Scott-Hopkins (H-297/83):

Is the Commission aware of the increased illegal use of hard drugs within the Community, mostly by young people under 20 years of age? What action does it propose to take to stop this harmful and highly dangerous traffic in drugs such as heroin, cocaine and raw opium?

Mr Richard, Member of the Commission. — The Commission is very much aware of the increased use of hard drugs within the Community. When I responded to Parliament's resolution on this topic last April, I said at the time that, despite all efforts to get drug abuse under control, there had been no real success. The situation now is characterized by, first, a rapid increase in drug abuse, secondly, an increasing tendency towards multiple drug use, and thirdly — and very worryingly — a lowering of the age of drug use, so that we are now faced with a serious problem affecting juveniles as well as adolescents.

Since last April the services of the Commission have continued to work on a detailed report concerning national and regional policies. I am pleased to report to Parliament that a conference recently held in Brussels jointly with the European Office of the World Health Organization, on the topic of preventing drug dependence was considered very useful in focusing on the actions which might be taken at Community level. It is the Commission's intention that these should be discussed by the Health Ministers when they next meet.

Sir James Scott-Hopkins (ED). — We really have had an awful lot of words about this and an awful lot of good intentions. The Commissioner has again said the same thing, that Ministers will be discussing the matter, and I honestly believe — and I hope he will accept this — that the time has come when action really has got to be taken by the police forces in Member States to make this abuse more difficult, to make the punishments more severe, and that Member States must take measures to stop it at school and among juvenile levels. Would the Commissioner not agree that we have to tackle the problem at its source, where the drugs are coming from — Afghanistan, the North-West frontier of Pakistan, parts of Iran, etc.? Surely this must be done by the Community. It is time for action rather than words.

Mr Richard. — I can understand and to a certain extent share the sense of urgency which has just been expressed, but I must say that it really does seem to me that the place to start discussing this at Community level is at a Council of Health Ministers. The Commission is anxious that a Council of Health Ministers be held. We are doing our best to get the information into an order which can be reasonably and sensibly discussed at a Council of Health Ministers, and as far as I am concerned, I hope we shall be able to hold such a Council in the course of 1984.

Mrs Elaine Kellett-Bowman (ED). — Taking up my friend's point about tackling the problem at its source, may I point out that it is very disconcerting for the Eastern countries, such as maybe Afghanistan but Thailand also, to be urged by the European Community to stamp on drug abuse and when they make very diligent efforts to do so — and in doing so deprive their citizens of a very lucrative source of income, and they are very poor citizens — and they happen to arrest one of our own citizens, to find that all hell is then let loose and everyone starts a campaign to get them released? May I put it to the Commissioner that we cannot have it both ways? If we want it stopped at source, we want it stopped at source, and any of our Community citizens who indulge in that traffic deserve all they get.

Mr Richard. — I agree that we cannot expect to have it both ways. I think that is absolutely right. I have been asked what measures we can take within the Community to try and deal with the situation that we have, a situation which is growing and which is particularly worrying as I said, because of the age at which this abuse is starting. I can only repeat what I said a little earlier, which is that the sensible place to start is with the Ministers of Health, and that is what we are trying to achieve.

Mr von Wogau (PPE). — (DE) I would like to follow up Sir James Scott-Hopkins' question which stated that most drugs come from third countries. Is this not an argument for tightening up controls at the Community's external frontiers, for example, at airports and ports handling goods from third countries, and for tackling the problem here? Our border officials ought to be applying more energy to controls of this sort at the Community's external frontiers. My second question is: are there any immediate plans to increase cooperation in this particular field between the police forces of the European Community?

Mr Richard. — I think the second half of that question goes somewhat wider than the one I was originally asked, and indeed than I would be prepared to go. As far as checks at frontiers are concerned, it seems to me that that is the concern of the customs authorities of the individual Member States. We

Richard

should not forget that we are dealing with individual Member States, with their competence, their responsibility, their bureaucracies and civil servants. In some notable respects recently they have been extraordinarily successful in dealing with the problem of drugs coming into the Community. I must say that the point that worries me, and I repeat it, is that we really do not yet seem to have any clear idea as to why it is that there is such an attraction for our young people in taking drugs which most of us, I assume, would consider to be thoroughly destructive.

Mr Clinton (PPE). — Could not the Commission, without any more meetings being held, make even one member of its staff responsible for coordinating the efforts that are being made in all the Member States at the present time? All these efforts are being undertaken in isolation, and until we have some sort of coordination I do not think we shall make any progress, and the thing is getting worse and worse every day.

Mr Richard. — I could not accept the assertion that nobody in the Commission is looking at this question. On the contrary, I have as part of my Directorate-General in Luxembourg, a group of dedicated experts, one of whose functions is to look precisely at this issue, which is what they are doing. As far as coordination between the enforcement authorities in Member States is concerned, such information as I have got is that that coordination at the national level, between individual Member States, on the whole works reasonably well.

We really are not going to solve the problem of drug addiction and drug abuse by setting up coordinating machinery between the police forces of the Member States. It is a much more difficult problem than that, and I think we ought to accept that.

President. — Question No 48, by Ms Quin (H-302/83):

What progress has the Commission made in drawing up a report on current provisions governing health care in the disadvantaged regions and deprived inner city areas of the EEC as requested by the European Parliament in its resolution on the problems of urban concentration in the Community (Doc. 1-1001/82)?

Mr Richard, Member of the Commission. — Inequalities in health care still exist between Member States, between regions and localities within Member States and between social groups within Member States. These inequalities are well established. They have been described in a number of reports published in the medical literature. However, the data and analyses are by no means complete. There are considerable methodological difficulties in measurement that we

have not yet overcome. Therefore, in December 1982 a workshop on health status assessment was organized by the specialized Working Group on Health Services Research of the Committee on Medical Research and Public Health, and planning discussions for a series of workshops on related topics are continuing.

Differences in health status are referred to in working documents on a regional strategy for Europe relating to the resolution of the 30th World Health Assembly to the effect that 'The main social target of governments and the WHO in the coming decade should be the attainment by all citizens of the world by the year 2000 of a level of health that will permit them to lead a socially and economically productive life.' The Commission continues to enjoy a close working relationship with the World Health Organization in this and other matters.

We do not foresee that the preparation of a comprehensive report on inequalities in health and health care in the Community is feasible for 1983/84 within present resource constraints and in the absence of a request from the Health Ministers. I can reiterate what I said in answer to the previous question that the Commission is anxious that a Council of Health Ministers should be held as reasonably in the near future as we can devise it.

Ms Quin (S). — This is a rather disappointing reply, in that it does not seem that the Commission has actually drawn up a report in response to Parliament's request.

However, will the Commissioner not agree with me that when reports about health standards are produced in different regions of the EEC and in different countries of the EEC — as happened in Britain with the publication of the Black report, which the government chose to ignore — such publications do affect how industrialists and others, who might move to such regions of the Community, actually look at those regions? Therefore is it not an important aspect of industrial development that such problems should be tackled?

Mr Richard. — I think that there is quite strong evidence that the availability of health care is one of the factors, but no more than one of the factors, which go into the determination of investment decisions, particularly by companies or corporations which have their headquarters outside the Community. I am sure that is true.

As to whether or not the Commission has been dilatory, I can only repeat what I said before, which is that it really is not possible for us, within the limits of the resources and the manpower available to us at the moment, to do the sort of analysis which the honourable lady would wish us to do, in the absence of a request from the Council.

Richard

Now if we are successful in having a Council of Health Ministers, one of the subjects that I would have thought was obvious, at least for a *tour de table*, at such a Council of Ministers would be inequalities in health provision in the ten Member States of the Community. If, as a result of that, the Commission was then asked to do some specific work on it, as far as I am concerned, I would receive the mandate with some enthusiasm.

Mrs Ewing (DEP). — Could I suggest to the Commissioner another approach that would take account of the limited resources, namely, an approach based on the charter of patients document, prepared by one of the Members of Parliament and going through the committees at the moment; it would give a minimal right of access, for instance, in peripheral areas so that patients would have some right to see a doctor. They should have some right to get to a hospital, for instance, maternity patients within a certain mileage. Would that not be an approach that could be started in 1983-1984?

Mr Richard. — It is an interesting approach. I do not think it is at all contradictory to what I said. It may well be that that is the way to do it, to start off by looking at what you consider the basic minimum provisions to be and then ask yourself whether the Member States, in fact, comply with those basic minima. I am not against that approach, I think it is an interesting one and we will clearly look at it.

Mr Patterson (ED). — I would suggest yet a third avenue. Would the Commissioner not agree that insofar as this is a matter for deprived inner city areas, it would be a proper subject for a second poverty programme? Insofar as the Commissioner is short of resources, we in this Parliament later this week are prepared to vote money for the second poverty programme. It only remains for the Commission itself to lay the necessary regulation before the Council for that money to be spent. Would the Commission not agree that this is yet another avenue he might explore?

Mr Richard. — The answer to that is yes and, indeed, I am answering a question on that by Mr O'Mahony which I think is rather lower down the order paper today.

Mr Caborn (S). — In the answer to the author of the question the Commission's response was that if the Council asks for the action to be taken, then that is OK, but actually it is Parliament that has requested action to be taken, and that action has not been forthcoming. Is the Commission saying that if Parliament asks for action, then it is less valid than if the Council asks for action to be taken?

Mr Richard. — I do not see how anybody could conceivably come to that conclusion except by straining the language that I used and applying a somewhat mischievous mind to it.

President. — As the author is not present, Question No 49 will be answered in writing.¹

Question No 50, by Mr Marshall (H-496/83)²:

As one of the principles of the Community is free movement between the various countries of the Community, has it been made clear to Spain that before she joins the Community she will have to lift all restrictions on movement between Gibraltar and Spain?

Mr Giolitti, Member of the Commission. — (IT) The Community has made it clear to Spain that the fact of accession to the Community implies, from the date of joining, the free movement of persons, except insofar as any transitional measures or temporary derogation provide otherwise. This applies throughout the territory of the Community, to which the Community measures on the subject apply.

Mr Marshall (ED). — Unfortunately, the Commissioner referred to the possibility of transitional measures. Can we have an assurance that there will be no transitional measures in respect of Spain and Gibraltar? The mere mention of transitional measures is a matter of concern to the people of Gibraltar, who have shown a loyalty to the crown of the United Kingdom which the people of Great Britain feel should be reciprocated.

Mr Giolitti. — (IT) I can give an assurance that no transitional measures have been requested. The Commission has no reason whatsoever, therefore, to take hypothetical transitional measures into consideration.

Mr Harris (ED). — Is the Commissioner aware of the depth of feeling on this issue, not just in Gibraltar but also in the United Kingdom? Wouldn't it be a good move by Spain to do away with these restrictions well before she enters the Community?

Mr Giolitti. — (IT) Having regard to the accession negotiations being conducted with Spain, the Commission is convinced that the contacts between the British and Spanish Governments will lead — without waiting for Spain to join — to the abolition of the present restrictions, so as to create, in advance, the necessary conditions for establishing harmonious relations within the enlarged Community.

¹ See Annex II.

² Former oral question without debate (0-65/83), converted into a question for Question Time.

President. — As the authors are not present, Question Nos 51, 52, 53, 54 and 55 will be answered in writing.¹

I take this opportunity of apologizing to the Commission for the number of questions that have been put down whose authors are not here to put their questions. I know the work that goes into preparing the answers as well as the supplementaries. I apologize on behalf of the Members of this House who, although they may be still in the building, have not taken the trouble to be here to put their questions.

Mr Beazley (ED). — Madam President, in view of the regrets that you have voiced and which are shared by many Members of the House, would you permit any Member to take up one of these questions?

President. — No, Mr Beazley, there are Rules. As you know, I am pressed by your group to observe the Rules very strictly, and the strict rule is that you have to have it in writing an hour before Question Time.

Sir James Scott-Hopkins (ED). — Madam President, does this not underline the necessity not to have committee meetings during Question Time? There is, in point of fact, an important Budget Committee meeting going on, which is the reason for some of the honourable Members not being here. This kind of thing was discussed in the enlarged Bureau in days gone by and it was not allowed to happen. Now it seems to be creeping in again.

President. — Sir James, that may be one answer, but I do not think it applies to all those who are not here today. It is not for me to discriminate between the reasons for which Members are not present in the Chamber. I can only comment that they are not, that the Commissioners have come with prepared answers and are not able to give them.

Question No 56, by Mrs Ewing (H-434/83):

In view of the fact that the protection of legitimate expectations and the need for legal certainty are accepted as principles of Community law, can the Commission explain its intention to abolish with retrospective effect the provisions of Article 9 (2) of Council Decision 71/66/EEC, and consequently to withdraw financial support from a highly successful and cost-effective scheme for generating additional employment opportunities in small businesses of the Highlands of Scotland?

Mr Richard, Member of the Commission. — The employment promotion scheme referred to by the honourable Member was one of the eight schemes sponsored by Scottish local authorities which received aid from the Social Fund in the fourth series of grants for 1983, decided by the Commission on 3 November. The 1983 budget of the European Social Fund is being implemented by the Commission in accordance with the decision of the budgetary

authority taking account of the priority given to action in favour of young people and the recent review of the Social Fund rules as envisaged by paragraph 3 of Article 9 (2) of Council Decision 71/66/EEC. No formal proposal to the Council to suspend certain provisions of this Article was in fact made by the Commission.

Mrs Ewing (DEP). — I think I like the answer. I am not quite sure if I understood it, but I am going to assume it was the answer I wanted and that all is well for the scheme that was at some point thought to be under threat by the local authorities, who are very grateful to the Commissioner for the sympathy he has shown to this scheme which is working very well in creating jobs for young people.

President. — Was that a question, Mrs Ewing, or a statement?

Mr Richard. — May I just confirm that Mrs Ewing should be pleased.

President. — Question No 57, by Mr von Wogau (H-449/83):

What conclusions does the Commission of the European Communities draw from the Karlsruhe colloquy as to the causes of forest death and what practical measures are to be taken as a result?

Mr Narjes, Member of the Commission. — (DE) May I begin by saying that I appreciate your regret that some question and answers were prepared for nothing. The Commission assumes that Members will have had very pressing reasons for not being present at this sitting.

In reply to Mr von Wogau's question: the Commission attaches great importance to the scientific and political findings of the Karlsruhe colloquy. It was clearly shown that air pollution by such harmful substances as sulphur dioxide, nitrogen oxides and particles is a major cause of acid rain and deposits. The exact proportion of each individual harmful substance in overall acidity has still to be established with certainty, but all those taking part agreed that preventive measures must be introduced as soon as possible to reduce the degree of pollution by, in particular, sulphur dioxide and nitrogen oxides. This was the consensus of opinion.

The data available shows that there are five categories of pollution: damage to forests and fauna, hyperacidic surface water, erosion of buildings, pollution of the soil cycle and above all damage to health. The colloquy made it clear that the problem is on a continental scale and has probably been developing since the end of the fifties. As far as we can see, this problem can also only be solved over a long period and only then if all feasible steps are taken immediately. Obviously, short-term relief must not be allowed to obstruct medium and long-term attempts to prevent pollution.

¹ See Annex II.

Narjes

The written proceedings of the colloquy have recently been published and have either already been sent to you, or will be sent in the next few days. The next step: the Commission informed the Council on 25 November 1983 of its position on reducing damage to the environment from air pollution. Two important proposals which relate to completely new areas have already been submitted. The first, a directive on reducing air pollution by industrial plants, was discussed at length at the last meeting of the Council of Ministers of the Environment on 28 November, but has unfortunately not yet been adopted. It provides, among other things, for authorization only to be given for such plants in future if they comply with the most modern standards.

The second proposal is a draft directive to limit air pollution by large industrial furnaces, and this has recently been submitted to the Council. It specifies Community-wide emission standards for new plants, precise plans to reduce pollution from such plants within a given time and precise regulations on the measurement and control of pollution. On 25 November the Council were also informed of the Commission's emergency programme announced in Karlsruhe.

The introduction of lead-free petrol and tighter controls on pollution by motor vehicles also form part of measures to combat air pollution. The Commission is to submit proposals to the Council by 15 April 1984.

Mr von Wogau (PPE). — *(DE)* The news that a directive on pollution by large industrial furnaces has been proposed certainly represents progress in a direction that Parliament has been urging for some time. I would like to ask whether specific maximum levels are proposed, and how high these are to be.

On the subject of lead-free petrol: do you see any chance within the foreseeable future, say by January 1986, that a large number of European countries will be convinced that the introduction of lead-free petrol or similar measures is urgently necessary?

Mr Narjes. — *(DE)* As far as the individual figures for large industrial furnaces are concerned, may I suggest, for reasons of time, that you take these from the text of the regulation which you should receive shortly. These are graded according to size, degree of pollution etc. It would take at least eight to ten minutes to go into these technical details. The 'Technical Guidelines on Air Quality', which contain the appropriate regulations for Germany, and with which the honourable Member may be familiar, correspond more or less to the Commission proposal. We are suggesting measures along these lines to the Council.

As far as the introduction of lead-free petrol is concerned, the Commission assumes that as soon as its proposals, which are scheduled to appear in mid-April 1984, have been submitted, the Council of

Ministers, Parliament and the Economic and Social Committee will embark on intensive discussions on the details, circumstances and methods of the transition to lead-free petrol, and it should be possible during the course of 1984 to establish a time-table and also, if a transitional phase is to be permitted, to work out how the Member States intend to organize this.

If I may be permitted to speculate on the likely development, I think it probable that between seven and eight Member States will carry out these measures as soon as technically feasible; two or three will have difficulty in keeping to the earliest possible date. At the moment I am not in a position to judge whether 1 January 1986 is the earliest technically possible date. I would refer you to the remarks made by technicians, businessmen and spokesmen for other bodies involved with which you are familiar.

Mr Pearce (ED). — The Commission has referred to lead-free petrol in connection with acid rain.

Does the Commission accept that the abolition of lead in petrol serves only the purpose of permitting the chemicals that cause acid rain to be eliminated and no other purpose? If so, will he undertake that the application of measures proposed for the elimination of lead in petrol will be over a sufficiently long period to prevent large-scale unemployment, such as 1 500 people in my own constituency whose jobs consist of making lead, and unemployment in the European motor industry caused by an inability to meet the demand for cars that work on lead-free petrol? Will he accept that the Commission proposals introduce the obligation to have lead-free petrol over a sufficient length of time to enable European industry to cope and to minimize the effects on employment that this measure will cause?

Mr Narjes. — *(DE)* As far as the honourable Member's first question is concerned, I cannot agree. We take the view that the five different types of pollution I mentioned must be considered. I am referring in particular to the dangers to health and for the sake of brevity would simply like to mention the report of the Royal Commission in the UK some nine months ago which emphasized the risks arising from the presence of lead in the blood of babies and pregnant women. I have already spoken about the other dangers and these must also be considered.

As far as the second question is concerned, I see no reason why a changeover to lead-free petrol should in any way lead to mass unemployment. There can be no question of this. On the contrary, this changeover will lead to a considerable increase in investment, which will stimulate rather than hinder economic development.

Of course, this does not exclude the possibility that there may be changes in the pattern of supply and demand, in some cases leading to labour problems, as in the above-mentioned lead producing industry.

Narjes

However, as far as the lead market is concerned, the market for platinum is likely to grow and platinum processing will gain ground. I would imagine that in future lead producing undertakings will be able to safeguard jobs by switching to platinum processing, but I cannot say this with absolute certainty at this juncture.

Mr Rogalla (S). — (*DE*) On a point of order, Madam President, as you know, I am one of the Members most frequently present at Question Time. I was unfortunately delayed today and would be very grateful if you could rule that the Commission could still reply to Question No 49, although in fact it has already been passed over.

President. — Mr Rogalla, it has happened before both when I have taken the Chair and when others have, if parliamentary duties have prevented somebody from being present in the Chamber. I can only ask the House whether they object. If they object, I am afraid I cannot allow your question to be taken. If there are no objections, I will be willing to do so. Are there any objections?

Mr Forth (ED). — Madam President, I object on the grounds that once you start doing this sort of thing, there can be no end to it; anyone can drift in whenever they please, apologize to the House and expect the order of running to be changed. I think it would be highly disruptive to business. We are either going to discipline ourselves here or we are not, so I have to object.

President. — I would ask Mr Forth whether, if Mr Rogalla was on parliamentary business, he would accept that as a reason for his not being here. Where it is not on parliamentary business, I absolutely agree that people should be in the Chamber, but this particular week has been extremely hard on a great many Members and I think one has to try, anyway as far as the Chair is concerned, to be as flexible as possible and to help Members to get through the business of this House. If Mr Rogalla is able to give a parliamentary reason, will Mr Forth accept that?

Mr Forth (ED). — No.

President. — I am sorry, Mr Rogalla, I must apologize on behalf of the Members of this House that there has been an objection and therefore I cannot at this stage accept your question.

Mr Lomas (S). — Madam President, I seem to recollect that earlier Mr Israël was not in his seat for his question. He came into the Chamber late, and very courteously and correctly, I think, you allowed him to put his question without all this to-do we have had just now. Could you not do the same with Mr Rogalla?

President. — Mr Lomas, I put the question to the House, because I have to abide by the rules of the

House. I asked whether there were any objections; although there were comments, there was no specific objection, and Mr Israël very properly apologized to the House because he was on parliamentary business. Unfortunately I have now had an objection, and this I am not in a position to overrule.

Question No 58, by Mr Clinton (H-465/83):

Can the Commission give an account of the state of negotiations with Spain concerning fisheries and access to Community fisheries by Spanish vessels, and can the Commission say whether national opinions on the conduct of these negotiations have been requested?

Mr Giolitti, Member of the Commission. — (*IT*) In accordance with the disposition of the framework agreement on fisheries, on 18 March 1983 the Community and Spain reached an agreement regarding the conditions of access of the Spanish fleet to Community waters for 1983.

The annual bilateral consultations to determine the 1984 fisheries régime will start shortly and will be conducted in accordance with Community procedure, after consultation with Member States.

Within the framework of that part of the negotiations for Spain's accession to the Community that concerned fisheries, the Community presented its first statement on the section in question last June. Spain, which had made a first statement in July 1980 during the seventeenth ministerial session, presented on 18 October 1983 a second statement regarding this same section. This last statement is at present being studied by the Community.

It is emphasized that the fishery negotiations concern all of the problems deriving from the common fisheries policy. These accession negotiations are taking place within the framework of a conference between Member States and Spain, in accordance with Article 237 of the Treaty.

Mr Clinton (PPE). — The information the Commissioner has given us is helpful, but I get the impression, rightly or wrongly, that there was no consultation with the Member States before this agreement was entered into with Spain: we have now reached agreement on fisheries, and when the whole job is done we now go to the Member States and ask them whether they are prepared to agree. This seems to me to be the wrong way to do the job. Does the Commission consider it reasonable that it should go ahead with its negotiations without consulting the individual Member States, for both the Member States and the fishermen are quite apprehensive about this whole business because of the size of the Spanish fleet and the curtailments that have taken place on fishing effort already?

That is what I gather from the Commission's reply. Am I right or wrong?

Mr Giolitti. — *(IT)* Obviously I have not been properly understood, because I have here before my eyes the text that I have just read, and on two occasions I referred to 'consultations of Member States', saying in the first place that the annual bilateral consultations take place after consultation with Member States. There is thus, first of all, consultation with Member States. Afterwards, annual bilateral consultations take place. I then concluded by saying that the accession negotiations take place within the framework of a conference between Member States and Spain. Thus the Member States are Spain's direct interlocutors, in accordance with Article 237 of the Treaty.

Mr Clinton (PPE). — I apologize if I misunderstood the reply.

Mrs Ewing (DEP). — Will the Commission, when considering the access to be given to Spain in 1984, take into account the infringements by Spain in 1983? These have been enormous. Statistics are available to show, for instance, that the Irish Treasury has received £ 3.2 m in fines over the years, and there were infringements as late as last week, when boats were fishing without licence in Scottish waters for disallowed species and were fined. Is this to be taken into account realistically, or are we to pretend that the Spanish fleet are behaving themselves?

Mr Giolitti. — *(IT)* My answer to that is 'Yes'. I would add that the Commission will certainly do its duty in making the checks and applying the proper procedures where contraventions are established.

Mr Harris (ED). — Madam President, may I first apologize to the House for not being in my place this morning when the House discussed the very important Péry report? I also was on parliamentary business attending the Committee on Budgets.

Is the Commissioner aware that there is widespread apprehension, not just in Ireland, not just in Scotland, but particularly in the South-West of England about the possibility of Spain's trying, by one means or another, to gain increased access to Community fishing waters, particularly around the United Kingdom and Ireland? Is he aware that all sorts of devices are being used to build up some so-called historic rights? Will the Commission take a very tough line on this indeed? If it does not, I can warn the Commission there will be a tremendous outcry from fishermen of the present Community fleet.

Mr Giolitti. — *(IT)* As I have said, the Commission has the situation under control, and is accordingly doing its job. As I recalled earlier, the negotiations are taking place with the direct participation of Member States. In addition to the Commission's own vigilance, therefore, the direct vigilance of each Member State is being exercised in the conduct of the negotiations.

President. — Question No 59, by Mr Pearce (H-482/83):

Will the Commission indicate the legal basis for its establishing quotas for Member States on consultancy contracts under the European Development Fund and will it undertake either to abolish these or, alternatively, to apply Member State quotas on supply and construction contracts?

Mr Pisani, Member of the Commission. — *(FR)* Mr Pearce's question needs to be divided in two. In the first part of this question he asks about the legal basis for the Commission's activities in a certain field, while in the second part of his question he asks the Commission whether it is prepared to introduce quotas.

His question is concerned with the arrangements under which consultancy contracts are placed with various firms of consultants and specialized organizations.

The rule that we have to follow is laid down in an annex to the Lomé Convention. Acting on behalf of the ACP States, which of course have the final choice, we have to try to identify the firm or individual consultant best able to meet the requirements as defined and make a selection in the best interests of the ACP State concerned. This is a Commission responsibility, discharged on the basis of the joint declaration reiterating Articles 24 and 27 of Protocol No 2 to the Convention. The Commission has in fact on 27 May 1983 given an answer on this point, in reply to Mr Christopher Jackson's written question No 35/83.

As for the application of quotas on the basis of nationality, as suggested by Mr Pearce, I consider that this would be absolutely contrary not only to the spirit of the treaties that we have entered into but also to the interests of the ACP countries on whose behalf we seek the services of consultants. The only rule that we have to obey is the rule that we must endeavour to secure the best possible deal for the ACP State on whose behalf we are acting.

Nevertheless, I should like to reassure Mr Pearce. When the figures are worked out at the end of the year, the breakdown showing the distribution of these contracts among the various Member States shows no justification for any 'juste retour', to use that unattractive expression.

Mr Pearce (ED). — May I take it that the Commissioner understands the reason for my question and that, while it is a happy situation that Britain does well on consultancy contracts, it is a source of distress for those of us that live in industrial areas that we seem to do so badly on construction contracts? Could he offer any information or advice as to why the British performance on these other kinds of contracts is so poor? Is it that the Commission in some way favours the way that quotations are submitted by firms in other countries? Is it that, in his view, British firms

Pearce

do not understand the conditions in ACP countries or is it, possibly, as I have heard said — I do not know whether it is true — that British firms do not put in enough tenders to get the share of the business which one would expect in view of the size of the United Kingdom construction industry?

Mr Pisani. — (FR) Were I in a whimsical frame of mind, I might suggest a theory which would be shot down immediately: perhaps the explanation is that British firms do not use the metric system. However, this theory has no validity and I would ask you to disregard it.

The first point that I would make is that ACP firms are bidding increasingly for these contracts, so that increasing numbers of them are being lost, if I might put it that way, to firms in the Community itself.

Secondly, we have definitely found in a number of cases and a number of very specific areas that British firms have been disinclined to bid, although invited to do so in announcements placed in the trade press in the normal way.

Thirdly, we have seen — and are continuing to see — cases in which British proposals have not been better than proposals from other firms, and in such circumstances the British firms have not been successful.

Since this is a difficult subject, I think it appropriate for me to state very seriously that the analyses that have been carried out, not only by me, although I have some experience in the field, but above all by the Court of Auditors and other such bodies, all indicate that the Commission's administration is not to be criticized on the grounds of its methods or overall approach. This is not to say that there is no problem, and the Commission is available at all times to make a joint examination with authorized representatives of British firms to establish why it is, objectively, that these firms are not doing as well as they would have hoped.

Mr Hord (ED). — I wish to refer to the first answer that Mr Pisani gave to Mr Pearce's question. It seems to me that if the Commission is sincere in wanting the ACP countries to secure the greatest benefit from the consultants or contracting firms of Member States, there can be no scope or reason for quotas. It seems to me that quotas preclude ACP countries from getting the very best and that the Commission is therefore failing to comply with the basic aspirations of the ACP countries as a whole. Will he comment on that point?

Mr Pisani. — (FR) I do not know who has been misunderstanding whom, but we seem to be talking at cross-purposes.

I have said very clearly that the Commission cannot operate a quota system, that it uses lists of qualified firms, this being the procedure used in almost all

cases. Bids are invited from firms on these lists, and the bid which is most advantageous, in economic terms, to the ACP country concerned is the one ultimately selected. There are no quotas and, as I have indicated to Mr Pearce, the Commission has no plans to introduce a quota system. This is the way the honourable Member would have things, so that his wish had actually been granted before he expressed it.

President. — Question No 60, by Mr Tyrrell (H-488/83):

Can the Commission state how much money has been allotted from the Social Fund and the Regional Development Fund (Non-Quota) to projects and schemes in the London area, and particularly to East London where many EEC-related projects are being considered?

Mr Richard, Member of the Commission. — The London area is not a priority area for the allocation of Social Fund aid. It has benefited only occasionally, perhaps even spasmodically, from the Fund's intervention. In the past, however, the Social Fund has contributed to some operations, particularly vocational training carried out in London, including East London. The main operations financed have been those concerning the training of women under 25, training of the disabled, retraining of textile workers and introduction of new technologies. All the information from 1982 and previous years is published in the Fund's annual report, which is presented to the European Parliament and the Council. The process of decision for 1983 is not yet complete, but similar information for this year will be published in the next annual report towards the middle of 1984. Work has already begun on the preparation of this report, but since not all applications have been cleared, it is not yet possible to provide details of the total sums allocated to the different types of schemes.

It should be noted also that the London area receives no aid from the quota section of the Regional Fund, as it is not a region qualifying for aid under a national regional aid scheme.

Mr Tyrrell (ED). — I am obliged to the Commissioner for that categorical reply. He seemed to be accepting that London receives a comparatively small share of the Social Fund. I wonder whether he would be surprised if I told him that the people of London feel that the Commission doesn't love them very much, and I wonder whether he has any suggestions to make as to how I can persuade them that the Commission does in fact love them equally with those in the assisted areas and in the countryside.

Mr Richard. — I am surprised to hear that the people of London do not think the Commission loves them. Some of the people of London elected me four times, and I have a very deep feeling for parts of London — certainly for my old constituency.

Richard

The honourable gentleman asks me what should he do about it. He should wait until the guidelines for the Social Fund are published, and then he should examine them together with those authorities in London and elsewhere who are responsible for making this sort of application. He should examine them in great detail and with, I think, some sympathy.

Mrs Maij-Weggen (PPE). — *(NL)* I should like to put a supplementary question to the Commissioner. The Commissioner suggests in his answer that information of the kind requested by Mr Tyrrell can be found in the annual reports on the Social Fund and the Regional Fund. I am very familiar with these reports, and all they contain is very general information. They never give any precise data on allocations to various regions and places. Would it not be a good idea — if only to prevent a repetition of this kind of question — if in the future the annual reports included very precise lists of the regions and projects receiving allocations from the Social or Regional Fund? This would make a great many questions unnecessary, and it would also give Members an opportunity to make a comparison of the regions which receive aid and those which do not.

Mr Richard. — My impression has been that most parliamentarians and certainly most authorities that we have to deal with are reasonably satisfied with the amount of information that is contained in the annual report. If there are serious difficulties, I am quite prepared to look at that report and see whether we can enlarge it or expand it. I should be very reluctant today to give the impression that we shall necessarily amend it; but I am quite happy to look at it at least with an open mind.

Mrs Lizin (S). — *(FR)* This is a question which perhaps has more bearing on the Regional Development Fund than on the Social Fund, but, if we are talking about the London area, I should like to discuss another, the Liège area, which also has very serious economic and industrial problems. I should like to know whether the Commission ...

President. — Your question is not in the context ...

Mrs Lizin (S). — *(FR)* My question is linked to Mr Tyrrell's, Madam President.

I should like to know what progress the Commission has made in formulating integrated schemes for areas eligible for joint plans financed by the various Community Funds.

Are details available on these integrated schemes? Is it possible to progress beyond the planning stage? I am thinking of the Liège area in particular.

President. — Is the Commissioner willing to answer, because strictly speaking this is not in the context of the question that has been put?

Mr Richard. — I can understand why the honourable lady is thinking particularly about Liège. The only thing I can say is that, knowing her thoughts about Liège, the Commission will also think about it and I will write to the honourable lady when we have completed our thinking.

Mrs Lizin (S). — *(FR)* He is more amiable than you, Madam President!

President. — It is not a question of amiability, Mrs Lizin. It is a question of obeying the Rules of Procedure of this House.

Mr Prag (ED). — May I assure Mr Richard that sufficient information is not available in the Annual Report of the Commission and that better and more regular information, including a clearer break-down by our constituencies, would be very helpful to us? We find that figures are often subsumed in the national total where a project is national in scope, for instance, motorway construction under the Regional Fund. There is even greater difficulty in obtaining the details of Social Fund spending, and the national authorities, I can tell him, are not always forthcoming. Would the Commissioner not agree that it is in the interests of the Commission and of the Community as a whole that we are given this kind of information for our constituencies?

President. — Mr Commissioner, there again I must comment in fairness that neither is this strictly connected with the question.

Mr Richard. — In the nature of the Social Fund, much of the information cannot be broken down by constituencies. If you take, for example, the youth training scheme in the United Kingdom, the Social Fund is making a major contribution towards the financing of that scheme, but it is quite impossible to say how many people in any given constituency have benefited from it. Where specific schemes have a clear geographical connection — for example, where there is a scheme in East London to train Bengali women in a textile firm in a new skill — of course that information not only is available but is made available. But, by the nature of it, a lot of the information cannot be broken down in the way people would like it to be.

It is also a great disadvantage for the Commission. You can put up a plaque on the side of a bridge and say it was built by the ERDF, but you cannot put up a plaque on a local office of the Manpower Services Commission and say this is partly financed by the Social Fund — much as I should like to.

President. — Question Time is closed.¹

Just before calling Mr Lomas, may I draw his attention to Annex I, paragraph 3, of the Rules of Procedure :

Should the President decide that the question is inadmissible, the questioner may challenge the decision, in which case it shall be for the enlarged Bureau to rule on the matter. This ruling shall be notified immediately to the questioner.

So I have informed you of your right to do so.

Mr Lomas (S). — Madam President, may I first say that of course what you have just said is absolutely correct and I accept that. Perhaps you would just note that the same question which you ruled out of order today was, in fact, accepted last month by the Council of Ministers and dealt with. I just give you that for information.

The reason why I asked to make a personal statement was that Question Time to the Commission last month, when I had this same question down, was about two hours late because we overran our time with voting and other matters, and it was not possible for me to be in the Chamber at that time. Therefore it was carried over to this month. However, in my absence one of the Members opposite, Mr de Courcy Ling, said that there was not a shred of evidence for the statement made in my question regarding the company that I named — in other words, that what I was saying was not true and that I was lying to this Chamber. That was the essence of his remark. I have since then supplied Mr de Courcy Ling with a copy of the report from his own government's Department of Trade which shows that the statement I made was absolutely accurate and that the company referred to is paying wages well below the minimum rate agreed in the EEC Code of Conduct. So I hope, Madam President, that Mr de Courcy Ling will now accept that what I was trying to say was accurate, that he will withdraw his remark that I was misleading this Parliament, and that perhaps he may even join with me in trying to get these really shocking (I shouldn't describe them, I am sorry) — these companies from paying starvation wages.

12. Seventh report on the ERDF

President. — The next item is the report (Doc. 1-768/83) by Mr Kyrkos, on behalf of the Committee on Regional Policy and Regional Planning, on the Seventh Annual Report (1981) of the Commission (COM(82) 586 final) on the European Regional Development Fund (ERDF).²

Mr Kyrkos (COM), rapporteur. — (GR) The motion for a resolution contained in this report was approved unanimously by the Committee on Regional Policy

and Regional Planning, and this shows that though the membership of our parliamentary committee is drawn from all sides of the House, we have gone a long way towards forming common ideas and criteria concerning how it will be possible to achieve the high goals of supporting development, fighting unemployment, redressing inequalities and bringing about convergence of the economies.

1981 was a difficult year, and even though the Regional Fund was strengthened by an increase of 32% compared with 1980, the results achieved were limited, especially in relation to the problem of job creation which has for years been one of the Community's major difficulties, and which from one point of view is a criterion of its effectiveness. Between 1975 and 1981 the ERDF created 457 000 new jobs. You can understand, though, how appropriate is the demand to increase the Fund's appropriations, given that with the 4.4% of 1981 it would not have been humanly possible to patch up the situation, let alone put it right. Since 1981 the trend for disparities between developed and less well developed regions in the Community to widen has continued, while even in the former the signs of industrial, and more generally economic decline have become increasingly perceptible in certain areas.

The conclusions derived from this led the Commission to submit proposals for a review of the rules of procedure for the Regional Fund, which Parliament has enriched and modified by its decisions. However, this review, which could give an impetus to our developmental efforts, has been blocked by Council since 1981, a fact that has been condemned repeatedly, and quite rightly so.

It seems evident to our committee and in many respects also to the Commission of the European Communities that :

Firstly, resources must be found to enable the Fund to fulfil its function as an instrument of development policy. On this point we call for Parliament's very particular support during the voting on the budget amendments as well.

Secondly, the endogenous potential for development of the regions must be mobilized and exploited as fully as possible, and among other things this entails the democratization of structures both within the Member States and at Community level. With this in mind as you know, Parliament's Committee on Regional Policy and Regional Planning has taken the great initiative to organize the Regional and Local Government Representatives' Conference next February.

Thirdly, the ERDF should fulfil the function of a logistical coordinator between national regional policies and regional policy at the Community level aiming to achieve convergence of the economies and revitalization of the neglected regions. In this connection our

¹ See Annex II.

² Speaking time : see Minutes.

Kyrkos

committee rests high hopes on the implementation of integrated Mediterranean programmes, and on programmes to inject new technology into industrially weak areas and areas passing through the phase of industrial development. Such technology should lead to the creation of new jobs, and should be based on a more highly-trained work force.

Fourthly, problems of coordination between the various policies and the structural funds must be solved in the most positive way. The bureaucratic procedures for approving programmes and for strict auditing of the payments must be simplified.

Before finishing, I would like to stress the need to study and reinforce the most appropriate channels for the development of less developed regions, small to medium-sized undertakings, agricultural and industrial cooperatives, popularly-based companies, and joint developmental ventures of the local self-governmental organizations.

Fellow Members, the Seventh Annual Report (1981) on the ERDF gives us the opportunity to consider the problems of regional development and of how to deal with industrial decline. However, these matters are obviously linked with the Community's future, and have been particularly highlighted after the failure of the Athens Summit.

In asking for your approval of the general terms of the report, our committee wished to submit to your judgment a number of general concepts embodied in the resolution I am presenting, and in the explanatory statement. I hope that those concepts will meet with your approval.

Before finishing, I would like to mention the excellent way in which our parliamentary committee communicates and collaborates with the relevant service of the Commission of the EC, with Mr Giolitti at its head. So far as I know, only one amendment to my report has been submitted, an amendment by Mrs Boot, which I accept.

(Applause)

President. — I would now ask Commissioner Giolitti if he would be kind enough to speak, because owing to the change in the time-table this afternoon other Members are probably at committee meetings. We are hoping that they will come in and join us as quickly as possible. I should be very grateful if the Commissioner could make his statement now.

Mr Giolitti, Member of the Commission. — *(IT)* Madam President, I am of course ready to facilitate the work of Parliament, and I am therefore ready to speak immediately after the rapporteur, although that is not in accordance with custom. Obviously, I shall not refer to the debate, which has not yet taken place, but to what are the most important points — in my view — of the draft resolution and the report that Mr Kyrkos has just given us.

The Commission is in agreement with the general lines of the motion for a resolution, and the solutions it puts forward. I should like, however, to dwell on a few specific points in particular.

Point one: the use of available appropriations. After 1979, the rate of utilization has always been above 97 %; in 1982 we reached 99.7 % — and I am speaking, I emphasize this, of percentage utilization in relation to commitments. The Commission therefore considers that there are no justifiable reasons for making the criteria for allocating contributions more flexible.

With regard to projects that have not been selected for funding, paragraph 52 of the Seventh Report on the Fund provides a clear explanation for this. In addition, in 1981 and subsequent years, the Commission continued to transfer any funds not used by one Member State to other States that have put forward other projects, so as to use up everyone's quotas.

We now turn to paragraphs 11, 12 and 13, regarding the problem of new jobs and the size of the projects that are financed. In this connection the Commission points out that conversion and updating, or simply updating, often end up after a certain time doing more to improve the economic structure of a region than is achieved by the creation of jobs which, whilst they have been created, may even remain unfilled or sometimes be lost through the effects of competition. In addition, where industrial projects are concerned, the Commission would find itself with less room for manoeuvre if it was obliged to concentrate the Fund's contributions even more on given sectors, or firms of a certain type only, or of a given size.

With regard to infrastructures, they not only create conditions necessary for the economic growth and development of the industrial and tertiary sectors; because of the 'multiplier' effect they have, they also exercise — if only temporarily — an important influence on economic activity. Nor is that all — these infrastructure projects often create a small number of permanent jobs to meet maintenance requirements.

With regard to the rate at which payments are made, the Commission is well aware that there is a divergence between commitment appropriations each year and actual payments; this is due to the fact that, under the Financial Regulation, projects are financed over a certain number of years, and take several years to complete. This explains why payments are made at a different rate from that of the commitments, which are immediately charged in their entirety.

Non-quota section: at the end of last year the Commission proposed a second series of non-quota actions which improved the measures already in hand, providing new resources and also new measures. They include Greece, and are an aid to the solution of regional problems caused by industrial decline.

Giolitti

With regard to the Mediterranean programmes, the Commission, in its Eighth Annual Report on the Regional Fund dated 3 October 1983, provides additional information on the second generation of regional development programmes, which it considers constitute a considerable step forward compared with the previous series. The proposals for the Mediterranean programmes come under these regional programmes.

With regard to the regional development authorities, the Commission notes the interest that Parliament shows in this connection. The proposals for revising the Regional Fund procedure concern, amongst other things, endogenous development of the various regions and, therefore, the promotion and support of small and medium-sized undertakings.

With regard to the regional effects of the other common policies, one of the tasks that the Commission devotes constant attention to is the assessment of their regional impact. That applies above all to the Guarantee Section of the Agricultural Fund. I can confirm that the study that the rapporteur referred to is being updated, and that, from the first results, some easing of regional disparities — perhaps even a reduction — is apparent.

With regard to the agricultural structures policy, the Commission has just presented to the Council a proposal for the revision of the basic procedure that is designed to concentrate aid on adaptation measures to help agricultural concerns.

With regard to the regional dimension of other policies — the policy for industry, in particular — we can take the steel sector as an example. In this field the Commission has on a number of occasions emphasized the need for close coordination of measures for promoting the competitiveness of the European iron and steel industry and the regional policy measures designed to facilitate the process of renewal and conversion of the industrial fabric in the regions most hit by structural change. The Commission proposes to step up the regional measures already in operation for this purpose.

Finally, where inspections are concerned. At first the Commission had expressed the intention of carrying out on-the-spot inspections of about 10 % of the projects. Because, however, of the relative reduction in inspection personnel following the increase in the Fund's financial resources and the consequent increase in the number of projects, we have not been able to achieve this target. The Commission is trying to ensure that at least two hundred projects are subjected to on-the-spot inspections each year: what is being done is therefore, of necessity, a sample inspection. The draft revised version of the Regional Fund procedure makes provision, however, for inspec-

tions to be carried out using independent experts, naturally under the Commission's responsibility.

One final observation regarding paragraph 33. Since 1980 the Commission has been actively working on the closure of files on so-called 'dormant' projects, that go back to 1975, 1976 and 1977. The results can be seen in the discontinuation or withdrawal of a number of old projects. It seems, however, that a whole series of projects has not been abandoned, but that, instead, the start of work has been put back because of budget restrictions with which the national public authorities have had to contend.

Mr Griffiths (S). — Madam President, on behalf of the Socialist Group I would like to thank Mr Kyrkos for the work he has done in preparing this thorough and very competent report. Once again we can see from this report that there is a great need for more resources to be devoted to the development of the regions of the Community. As Mr Kyrkos shows conclusively, the gap between the rich and the poor regions is growing. Furthermore, the Community's main policy, the agricultural policy, is actually working to the advantage of the rich areas and the disadvantage of the poor areas. So, obviously, that policy needs to be radically overhauled, so that the weaker regions can benefit from it and not be disadvantaged as they are at present.

I would like to take the opportunity of the debate on the Kyrkos report to stress to the Council the urgent need to prepare new guidelines for the Regional Fund, so that the weak regions of the Community can be helped in a better way than in the past. In the non-quota section too, the proposals which have been with the Council now for most of this year should be approved, because the principles contained in them have already been approved in the first round of non-quota proposals. All we are really asking for is an extension of the areas to be affected and for one new sector in crisis, the textile sector, to be included. So although the Council is not here for this debate, I hope that this message will be taken back to it.

I also implore the Commission — and I know it is trying to do this — to bring about greater involvement of the regions which receive help from the Fund, so that these regions themselves may receive the aid in the best possible form.

Madam President, in conclusion, I would hope that Parliament will, as in previous years, give its full support to the ideas contained in the Kyrkos report, coming from the Committee on Regional Policy and Regional Planning — ideas which we have put forward year in year out — so that the Regional Fund may be larger, may help to create more jobs in the regions and may be used more effectively.

IN THE CHAIR: MR KLEPSCH

Vice-President

Mrs Boot (PPE). — *(NL)* Mr President, the Commission's annual report on the utilization of the European Regional Development Fund in 1981 reveals in many respects the limits to the second European Regional Fund, the one that has been in operation since 1979. These limits mean that a satisfactory contribution cannot be made to the achievement of the objectives of the regional policy, that is to say, the convergence of the Member States' economies, narrowing the gap between the less developed regions and the better off, and the creation or preservation of jobs.

Furthermore, the Commission has again been unable to ensure that a number of inherent criteria relating to the Fund are properly observed. I will give a few examples: the complementarity of Community aid with respect to national regional aid, the balance that is supposed to be maintained between the quota and non-quota sections, as Mr Giolitti has just pointed out, the supervision of the progress of measures financed by the Fund, and the inspection — and this is an important point — of the Member States' statistical records pursuant to Article 6 (6). These records should indicate, firstly, the results achieved in the region in the areas of investment and employment, secondly, the financial resources used and, thirdly, the purpose for which Fund resources have specifically been used.

The Kyrkos report places the emphasis on the importance of the Fund in the creation and preservation of jobs. At this time of economic recession it is perhaps a good thing to point out that the Fund represents a particularly good opportunity for productive investments.

And then we come to Mr Gouthier's opinion for the Committee on Budgetary Control. It makes a number of important suggestions, some of which are a repetition of what is to be found in previous annual reports. I should therefore like to ask the Commissioner three questions, since Lady Elles, your predecessor in the Chair, Mr President, said that the Commissioner might take the floor again at the end of the debate. I should like to ask him what stage has been reached in the introduction of electronic data processing to make it possible to discover quickly at any given moment, what progress a project has made. Secondly, what progress has been made in the improvement of the exchange of information between the Commission and the Member States and what exchanges are needed to enable the profitability of investments to be checked? And thirdly, what action has been taken to introduce uniform policies on the publicity given to Fund activities by means of information boards and the early publication of lists of the projects financed?

Mr President, the annual report concerns the year 1981, the year in which the Commission published

new guidelines for the European regional policy and put forward proposals for the third Fund. As we all know, the final touches have still not been put to these proposals, which were broadly endorsed by this Parliament, and we doubt, Mr President, that this will ever be done. We call on the Commission not to let this prevent it from using its general, implementing and administrative powers, as it has done with the second ERDF, to make the adjustments which will result in the more efficient use of regional Fund resources. We, who represent the people of Europe, call for such action and say once again, Mr President, that we urgently need a European government.

Mr Hutton (ED). — Mr President, I would like to take up two points in Mr Kyrkos' report. The first one concerns the section he has written in the explanatory statement on publicity. He refers there very clearly to the problem which the Community has in advertising the work it is doing in helping regional development. Mr Kyrkos helpfully points out that the Member States have still got no common criteria with regard to the erection of signboards to publicize the work that the Community is doing in Member States.

Now, Mr President, in precisely 6 months from today people in my country will be going to the polls in the European election. One of the things which people have said to me repeatedly over the last 4 1/2 years, has been, if Europe gives us all this money, why don't we see something that tells us about it? I am not sure the criticism is fully justified, but it is obvious that whatever efforts are made to publicize the work of the European Regional Development Fund on the ground — in Scotland in any case, but I imagine the situation is similar in other Member States — is simply not yet adequate, and I am glad that Mr Kyrkos has drawn attention to this problem because I believe that it is unsatisfactory. Because there does not appear to be common criteria, you have the ludicrous position arising, as arose in Scotland recently, where one socialist-controlled council seriously discussed the possibility of putting up signs giving the precise proportions of aid which the European Regional Development Fund had given. Now can you imagine how comprehensible that would be to somebody whizzing past in a motorcar? It was a perfectly absurd discussion, and I hope it is the sort of discussion which the Commission, in its dealings with Member States, will in future be able to help avoid by laying down some kind of common criteria.

Now the other point I would like to touch on, Mr President, is Mr Kyrkos' reference in paragraphs 22 and 23 of the motion for a resolution to the integrated Mediterranean programmes. We really have got no objection to help being given to solve the problems of the Mediterranean areas, but we have serious reservations about the suggestion that they should be helped through separate programmes for those areas. I really

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think it is worth saying to the Members present that I do believe there is a very grave danger in setting out a totally separate regulation for the institution of regional measures in some Member States. My instinct tells me that this is a divisive measure. It is going to make the Community a Community of North and South. I have no objection to the Mediterranean countries being helped within the scope of the ERDF, but I do counsel Members to think very carefully before they rush headlong into demanding separate regional instruments for special parts of the Community.

I thank Mr Kyrkos for his report.

Mr Pöttering (PPE). — *(DE)* Mr President, ladies and gentlemen, I would like to thank Mr Kyrkos for his report. This debate has given us an opportunity to show that European regional policy is in a phase of stagnation and decline. The summit meeting in Athens a few days ago was typical of European regional policy over the past few months, if not years. The Council demonstrated its total inability to decide on an amendment to the Regional Fund regulation. The Regional Fund regulation was to have been amended, i.e. improved, during the Danish presidency in the second half of 1982, but we waited in vain for this to happen. During the presidency of the Federal Republic of Germany, we hoped that it would be possible to amend the Regional Fund regulation along the lines proposed by the European Parliament and Mr de Pasquale. Although the then president, Mr Genscher, made every effort, it proved impossible. Nor has it been possible during the second half of 1983 to improve the quality of the European Community's regional policy. This needs to be said in a debate on the 1981 Annual Report. Parliament has constantly called for solidarity with the poor, structurally weak regions in the European Community. This Community can only have a future if the poor, structurally weak regions have a future in this Community. We are finding more and more from year to year that not only is there no improvement in the quality of regional policy, but also that fewer funds are available with the result that both the quality and scope of the Regional Fund are deteriorating.

We can see from Mr Kyrkos' report that in 1981 88% of Regional Fund money was used for infrastructure projects, i.e. only 12% was really used to create new secure jobs in the structurally weak countries of the European Community. I feel that this is all very unfortunate and I very much hope that the European Council of Heads of State or Government will make a great effort in Paris to lend the European Community a fresh impetus, not only politically in terms of the agricultural and financial policies, but also as far as regional policy is concerned, because in future regional policy must be one of the pillars of European Community policy.

Mrs Elaine Kellett-Bowman (ED). — Mr President, may I first of all thank Mr Kyrkos for his excellent work in this report, but it is peculiarly appropriate as far as the United Kingdom is concerned that regional affairs should be discussed today, because yesterday the Secretary of State for Industry in the United Kingdom did, in fact, put forward a consultative document, which I have with me, asking for new ideas of how the Regional Fund could most effectively be organized in the future. Now one of the complaints that the Committee on Regional Policy and Regional Planning has always had is that the areas covered are too large. Now we have suggested going down from level 3 to level 2. We are suggesting the United Kingdom going even lower than that and are asking whether the travel-to-work area itself is not possibly even too big.

What particularly interested me in Mr Kyrkos' report was his paragraph 12 of the resolution and the point in the Commission's document that the smaller projects, in fact, created the most jobs. Now I am sure that is a point that each of us in our own constituencies is finding to be true. It is no use pumping money into large projects because generally they tend to destroy rather than create jobs. They are capital-intensive instead of being job-productive, and that, I think, is a great mistake where something like a Regional Fund is concerned.

I was also happy to learn that the Commission is, in fact, spending a considerable amount on the infrastructure. It is sometimes said that infrastructure projects do not create employment. Nothing can be further from the truth. One of the problems the disadvantaged areas have is their distance from the market, so not only do infrastructure projects create jobs while the infrastructure is being constructed, but they go on to create jobs over the years by giving greater access by those disadvantaged areas to the centres of population, to the other markets and to their sources of raw material. Now I am convinced, Mr President, that this Community would make a very great mistake if it did not pump more money into the Regional Fund. Mr Pöttering was absolutely correct. Not only must we pump more money, but we must be seen to be doing that. That is why I heartily back what Mr Hutton said about the lack of publicity. We must not only do good with the Regional Fund, but we shall only get support for increasing the Regional Fund if people know that we are doing good, and we shall only do that if we increase our publicity so that people know and can actually see with their own eyes that the project has been helped from Europe. I strongly recommend that the Commission take firmer action on this so that people really know what is going on.

Mrs Ewing (DEP). — Mr President, I will be very brief. I am happy to learn from Mr Gendebien that our amendments to his motion for a resolution will be acceptable to him and I will not take up time then on that aspect.

Ewing

During all the years I have been in it, i.e. since 1975, all the members of the Committee on Regional Policy and Regional Planning have always felt angry about the additionality question. It has been said over and over, but I think it must just be put on the record yet again. It is something that unites us all from all the countries and from all the political groups, and yet the Member States persist in this policy which we believe is fraudulent. I wish one of the local authorities in the United Kingdom or some other country would test it in the courts, because I am perfectly certain that if it was tested in the courts, the Member States would have to stop this practice.

However, the Regional Fund, as far as it goes, works very well and does create jobs. I can support Mrs Kellett-Bowman in what she said about the infrastructure. In my type of area, which is very much the periphery of the periphery, the infrastructure projects aided, such as the harbours, have been of enormous and long-lasting assistance to the whole way of life. I also think that the 'small is beautiful' concept is one that is very worthwhile for all the peripheries of the Community.

Could I appeal to Mr Kyrkos to take on board flexibility with regard to infrastructure and to expand the definition of it to cover ferries in areas where ferries are absolutely essential as transport. I believe that this door has been opened to some extent by the Commission's recent statement and I would quite like to hear that Mr Kyrkos would agree to that. Causeways would come into the same category. It has been proved that causeways, where they can be built, have kept island populations.

Lastly, with regard to integrated development programmes, could I make a plea for these and say that one instance, in the Western Isles of Scotland, is now a year-and-a-half old. It could be said to be a pilot project on which you can all draw for evidence. It is working. Never have there been such optimistic hopes that the land can be improved and the people retained on it. If only Parliament could send a delegation just to see the working of this development programme, I am sure there would be no opposition to the principle. This is one of the best possible uses of Community funding. I was very distressed that, after Parliament was, in principle, favourable to such a programme in the Highlands and Islands of Scotland — a programme that certainly had much support from all the regional authorities and the various boards — the project has not gone ahead because the UK would not match the money. Now this is a sad situation because, it seems to me, the case for the integrated development programmes has been made already and I think that it is wrong to criticize something that really can be shown to be working.

President. — The debate is closed.

The vote will be taken at the next voting time.

13. *Planning scheme*

President. — The next item is the report (Doc. 1-1026/83) by Mr Gendebien, on behalf of the Committee on Regional Policy and Regional Planning, on a European regional planning scheme.

Mr Gendebien (CDI), rapporteur. — (FR) Mr President, the idea of proposing a new common policy at this stage, when Europe appears to be going into a coma, may elicit some derision. And yet the Committee on Regional Policy has boldly decided to launch such an initiative in one of the fields with which it is concerned, regional planning, instructing me to draw up a report on the basis of two motions for resolutions, one tabled by Mrs Lizin and the second by Mr Sassano and others.

The first point to be made is that it is quite clear that Community activities or measures having a spatial or territorial impact are becoming increasingly numerous. These activities or measures have a direct or indirect influence on regional planning, on the organization of Community territory, and thereby on European citizens' daily lives. This applies to agricultural and regional policies, and policies on energy, transport, the environment etc. What we have to consider is whether these measures are coordinated and consistent and whether their regional planning implications have been studied and evaluated in advance. It really can be said that the Community is unwittingly engaged in regional planning, so that the legal question of whether or not it has competence in this field is purely academic. The Committee on Regional Policy accordingly invites the Community to conduct an overall policy on regional planning in Europe, European territory being regarded as the common domain belonging to all Europeans, and the aim being to give expression to the political will to administer, organize and protect this common domain and its resources, which belong to all Europeans.

This general approach has been made necessary by the structural changes that are taking place. Suffice it for me to mention the industrial decline of certain regions, the geographical concentration of economic activity, the problems associated with major infrastructures, the increasing number of ecological disasters, and the accelerating deterioration in the natural heritage. In my opinion, the European regional planning policy should pursue three main objectives: first, coordination and consistency between Community measures, especially those which have a spatial impact; secondly, promotion of balanced, integrated rural development, leading to genuine decentralization and a better distribution of activities, employment and population in Europe, and thereby to improvements in the environment, public health and the quality of

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life; thirdly, forward planning and prevention to secure the survival of the European heritage in all its many facets: natural resources, vulnerable zones of European interest, nature reserves, cultural heritage etc., thereby ensuring that diversity remains one of Europe's prime assets.

There is of course no question of all such activities being taken over from Member States. As I see it, the regional development scheme should be a reference document determining the sites to be occupied, or the routes to be followed, by certain infrastructures, activities or zones of *European interest*, and the Community's intervention would take the form either of regulations or of specific financing for these zones of European interest.

This European regional planning scheme — or rather, the sector schemes — should be based on an inventory of the major problems in the areas of infrastructures, land utilization and the environment. I am thinking in particular of the need to achieve an even distribution of activities and employment among all the regions; the major transport infrastructures; cooperation between regions, especially border regions; energy policy, including for instance the highly controversial issue of the siting of nuclear power stations; more generally, the siting of activities which involve hazards or create pollution; and finally protection of the natural heritage in rural and coastal areas, and protection of the architectural heritage.

As regards the *modus operandi*, it must be based not on a plan drawn up by the central bureaucracy but, on the contrary, on machinery for consultation and decision-making operating according to a democratic procedure, in other words from the base up, the starting-point being the needs and aspirations expressed by the regions themselves, by local authorities and communities.

It goes without saying that we would like Parliament to be involved in this procedure, but responsibility for organizing the work of appraisal, coordination and rationalization will fall to the Commission.

I should like to conclude by stressing that there is nothing utopian about this motion for a resolution, despite appearances. It is a matter of necessity. There is a great deal of talk currently about new policies. Here we have one which would not cost very much money. Common regional planning in Europe would be an example of the type of solidarity in practice dear to Jean Monnet's heart, one of the concrete achievements that he expected to bring irreversible progress for the Community.

Mr President, ladies and gentlemen, if the Community intends to be more than a juxtaposition of national interests which naturally tend to be contradictory, if it intends to coordinate activities and funding which are currently disjointed or unconnected, if it intends to

place itself in overall control of decision-making on major infrastructure and development planning, and, finally, if it intends to conserve its heritage and its natural and cultural diversity, then it must adopt this overall regional planning policy commended to you by our Committee on Regional Policy.

Mr Griffiths (S). — Mr President, I would like to thank Mr Gendebien for the great amount of work that he has put into this report and the care that he has taken in presenting his proposals, first to the Committee on Regional Policy and Regional Planning and then, of course, to Parliament.

Before looking at some of the proposals in it, I would just like to make one or two comments about some of the English words and phraseology used, because I think that perhaps a wrong impression is given by them. The idea, for example, in paragraph 1 of the territory of Europe as a common domain would seem to imply that we had one state in Europe which just had one government, particularly as in paragraph 3 he talks about the administration of the European territory, again as though it was one administration. Then in paragraph 5 'a European regional planning scheme' might in English better have been 'a European regional planning strategy', because that is what Mr Gendebien is trying to outline in this report. I think that in just about everything he says he is on the right lines.

Many of the things that are said in this report have been said in other reports from the Committee on Regional Policy and Regional Planning, for example, the coordination of existing Community measures and instruments. We have asked for that to be done time and time again. The idea of promoting balanced and integrated regional development is something which the committee has asked for year in and year out.

I think that in his report Mr Gendebien has posed for us a fundamental question on the future development of the regions, because in the European Community, as was mentioned in the Kyrkos report, we have the undisputed fact that there is a growing divergence between the wealthy and the poorer areas of the Community. This divergence has only come about because there is not sufficient investment in the weaker regions by, in the main, private investors. Therefore, governments and the Commission through their regional policies have got to try to make sure that there is much more planning for deliberate investment in the regions. In a sense, we only need a regional policy because private investors have failed to invest in our regions. If they provided sufficient funds, then there would be no need for a regional policy. That is why we do need regional planning on a grand scale in the European Community. At the moment, for example, we have the ridiculous situation where national governments can be vying with each other to

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throw money at multinational companies which do not really need it, so that they will come to a particular part of the Community.

It would be much more sensible if national governments throughout the Community, through the Council, the Commission and Parliament, could agree to a planning strategy whereby there would be an order of priority in the regions of the Community for large schemes of private investment. That would save our money for much more valuable things and would mean there would be genuine private investment in our regions. I think that the Gendebien report is trying to edge us in that direction. It points out all the important things that are needed, the transport infrastructure and so on, the protection of our heritage, the fact that so often environmental pollution can almost negate the good effects of providing more jobs. He talks too about the need for an energy policy which will ensure that when we have more growth, we do not necessarily put an extra strain on our energy resources.

On the whole, I think that the Gendebien report is pointing us to a long-term future. Many of the ideas in it we would not expect to be implemented overnight, but we would certainly expect the Commission to look seriously at the need for real regional planning on a Community-wide scale. We believe that if this is done, then it will undoubtedly save the Community and national governments a great deal of money in the form of the incentives which at present they feel are necessary to get private investors to come to the regions. I would ask the Commission, Mr President, to take on board the ideas in the Gendebien report, to examine them thoroughly and to bring to us a report in the near future — within six months is the intention stated in the report — so that we might be able to make further progress on a real regional strategy which would seek to direct private investment into our weaker regions. It is desperately needed, because unless we get this extra investment the peripheral regions of the Community are going to be so much poorer than the wealthy areas that they are going to feel completely out of touch and completely disenchanted with the way in which the Community is working against their interests.

Mr Hutton (ED). — Mr President, you will see, if you read the report of the Committee on Regional Policy and Regional Planning, that there was one abstention when this report was voted on in Luxembourg, and that abstention came from my group. We are, I am bound to tell you, highly sceptical about Mr Gendebien's report. We recognize that he has put a lot of care and thought and a lot of work into this report, but we nevertheless feel that, as it stands, it runs the risk of suggesting duplication and cutting across the arrangements which already exist, both within Member States and at Community level. We are concerned that to build another layer of planning,

cutting across what is being done already, could lead to duplication and inconsistencies which would only result in a diversion of resources away from existing activities. It just is not clear, Mr President, that the work involved would be justified by the effects over and above the existing arrangements.

That is not to say that we are against increased cooperation in this field. However, we think that such increased cooperation should grow out of the existing mechanisms such as the ERDF periodic report, the Committee on Regional Policy and Regional Planning and the Regional Development Programmes. And, I think, we should all bear in mind that the ERDF, as the Commissioner knows better than anybody, is likely to change and develop, and within that change there will be implications for planning in the proposals for programme financing and integrated operations. Member States will have to give a great deal of time and attention to these new ERDF proposals for amending the ERDF Regulation. There will be quite enough planning and other implications for the Member States to cope with, and it is our belief that, in order to minimize inconsistencies and duplication, it would be more efficient to build increased cooperation in regional planning on the existing and the developing mechanisms.

Mr Kyrkos (COM). — *(GR)* Mr President, we often focus our attention on extremely urgent problems such as those of unemployment or the price of agricultural products. We owe our thanks to our colleague Mr Gendebien, who has given us a glimpse of tomorrow. Even though there is a risk of debating matters that have already come up before both Parliament and the governments, it must be said that the rapporteur has raised an extremely important problem.

We must recognize that in recent years desperate situations, and the way they have been dealt with, have led to a continual decline in the quality of life. Thus, unless prompt measures are taken to achieve a rational redistribution of activities within the Community's territory, there will be serious and painful consequences. Had we had the sense to recognize some decades ago the thoughts that Mr Gendebien puts before us today with such passion, we would not now be faced, for example, with as terrible a phenomenon as Athens. Athens is a dying city, whose revitalization would entail unbelievable expenditure in the attempt to create an environment fit for people to live in. Consequently, we support Mr Gendebien's proposals with all our heart; even though they may not seem terribly realistic in some respects, they fit exactly into the logical perspective of the Athens phenomenon, which is likely to spread to the rest of Europe. We too, here, must share the blame if Athens is being choked by exhaust fumes, we too share the blame if new slums appear in London, we too are responsible if there is no rational distribution of industrial and

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other activities within our territory. When, today, our Parliament is shown the need for a common planning strategy, we must not hesitate on the pretext that these proposals relate to activities that have already come up before the governments and Parliament. We should use this opportunity to turn our thoughts towards tomorrow. Mr Gendebien, we thank you for your report and call upon Parliament to adopt it unanimously as a general guideline.

Mr Maher (L). — Mr President, I must confess that there is a certain air of unreality about this debate. Here we have Mr Gendebien giving us a glimpse of the future and talking about possibilities for the next decade or maybe even further ahead. Yet the leaders of our various countries are unable to take decisions on problems that are critical for us today.

Having said that, I suppose we cannot give up hope. Perhaps over the next few months when it seems as if this Community is about to finally topple over the precipice and we all go back to doing our own things again inside our own national boundaries, this might spark the realization in the national leaders at last that they cannot go down in history as the architects of disaster.

So I still have hope, and I praise Mr Gendebien for his hope and faith in the future. I compliment him on that at least. I do think, however, that perhaps he has bitten off more than the Community can chew for the time being. We need to be very pragmatic today and perhaps not set our sights so far ahead. We need to try to make what we are doing at the moment more rational, without creating a very big new kind of superstructure that will be hard to get into motion and will be rather a dream than a reality for many years to come.

Having said that, there is one thing that strikes me about this report. It shows that it is important for us as a Community to make sure that we at least see the whole picture, even if we are not able to paint it all at the same time. It is important that we can see the picture in our mind's eye at least. That is the first point.

Secondly, it is important that we do not allow regional policy and all that it means to be hived off as a kind of odd man out amongst the policies of the European Community. We are always talking about the problems of the poorer areas and the extent to which the poor get rich and the rich get richer, as has been said so many times. What I would like to say, and in particular to Commissioner Giolitti, is that it is very important that we make it clear that it is not only for the benefit of the peripheral regions and the people who live there that we are interested in regional development but also for the benefit of the rest of the Community. I would like to link the two things together and not to isolate regional policy from the rest, because if we, through the implementation of regional policy, can keep people living in these

regions, we will be preventing them from adding to the problems of the already overcrowded so-called better areas of the Community.

Thirdly, as he rightly says, if we can improve the environment, maintain it, do more about the cultural heritage of these regions, do more about tourism, then we also add something to the lives of the people who do not live in these regions but live in the better-off areas, because we offer them the possibility to benefit from and enjoy these particular regions more. That is exceedingly important too. There is a direct connection between the two. We should try to prove that we are not doing this only for those peripheral regions but also for the rest of the Community.

I would like to take up the point made in an earlier debate by Mrs Kellett-Bowman. It is a very vital one. In any of our policies we should remember the key issue, namely, that we want to maximize the people and not the capital. We want to ensure that it is people who are catered for and not large capital developments. That is exceedingly important.

I would like to draw attention, for instance, to a development in my own country, where the monopolistic body supplying electricity to all our homes is presently proposing to close down our peat stations, which would mean our electricity production depending on coal imported from the USA. I do not think that is a good move. They ought to be keeping our peat stations and planting the cut-out bogs with biomass, so that they can continue to supply electricity from sources within our own country and not from the USA.

Mr De Pasquale (COM), chairman of the Committee on Regional Policy and Regional Planning. — (IT) Mr President, as chairman of the Committee on Regional Policy and Regional Planning I should also like to thank Mr Gendebien for his excellent work. My appreciation of Mr Gendebien's report stems from the fact that it has been Mr Gendebien's concern not to relegate this subject to the mists of the future, but instead to emphasize certain indications of a concrete nature.

We therefore formally ask Commissioner Giolitti, who is particularly sensitive on these questions, to ensure that the Commission carefully examines the Gendebien report and decides accordingly.

If in the past the Commission has issued directives and guidelines — for example, on environmental policy — why ever can it not do the same with regard to regional planning? I think that the Commission ought seriously to consider the initiative taken by our committee — which I hope will be adopted by Parliament — to enable the problems of regional planning, which are of fundamental importance to all the policies, to be included — and included, obviously, in a coordinated manner — in the policies of the Community.

Mr Giolitti, Member of the Commission. — (IT) Mr President, I should like first of all to associate myself, on behalf of the Commission, with the thanks and words of appreciation that have been unanimously expressed in regard to Mr Gendebien's excellent report. The subject is certainly so important and of such breadth that we cannot consider that we have exhausted it in such a short debate. I confirm that it is receiving the maximum possible attention on the part of the Commission, which is in full agreement with the idea of an overall appraisal of the problems of regional planning in Europe, which is a fundamental feature of the Gendebien report and the motion for a resolution.

The Commission has emphasized on a number of occasions that the regional policy of the Community is not only a policy of financial support for the regional development measures undertaken by each Member State: instead, it is a more ambitious policy that encompasses the regional aspects of the other policies at Community and national level. However, although the overall conception of a Community regional development and regional planning policy, which — as Mr Gendebien has recalled — fairly reflects all aspects of the European social and economic reality, seems well founded, the Commission does not consider that this can today be the basis for a formal centralized planning system, when the trend observed in the majority of Member States — which we have also to take into account — where regional planning and management are concerned is clearly towards greater decentralization of responsibility from central to regional and local level.

Nor should it be forgotten that the present powers of the Community where regional planning is concerned have a limited legal basis, which the Commission endeavours to exploit to the maximum in the general interest, and from the regional standpoint in particular.

The European Community is today committed to a certain number of measures in regard to regional policy, agricultural policy, transport and the environment, and they are measures that contribute to the achievement of some of the objectives advocated in the motion for a resolution. It is true, however, that sometimes the Institutions of the Community, all of them, do a little of everything without knowing it, as Mr Gendebien says in his report. This report and the debates on it help us to have a clearer awareness of the problems and tasks we have to tackle. The Commission is already systematically studying the territorial implications of the main policies of the Community. Starting with the study on the regional impact of the common agricultural policy, for example, it was possible to make some significant 'readjustments' in the agricultural policy for the markets, within the framework of the new agricultural structures policy.

Where environmental protection policy is concerned, the Community plays an active part. Significant examples of this are the Directive on the preservation of wild birds, which led to the recognition of areas of European interest; the Directive on the less-favoured areas, in which the continuation of farming activities is necessary in order to protect the environment and ensure rational regional planning; and the measures to be adopted, under the new agricultural structures policy, for the national parks or nature reserves. These are only a few significant examples. By strengthening the coordination and planning of Community measures, in the context of current Community policies, further appreciable progress can be achieved. The Commission's recent proposal in regard to regional policy, whereby the Commission commits itself, by degrees but resolutely, to the system of financing by programmes, is an example of this.

It should not be forgotten that Community measures fall within the framework of the existing Community policies and therefore correspond to the precise, specific objectives of these policies. Although such measures are consistent with the aims of regional planning policy, they reflect only partial aspects of that policy so that, in addition, the Community's role is often subsidiary to that of the Member States, the central governments and even the regional and local authorities.

An example of this situation is provided by the problem of coastal erosion, a problem that can fall within the context of regional planning, and one which was the subject of a resolution of the European Parliament in 1981 to which various Members have since referred on a number of occasions.

Within the framework of Community regional policy, the problem of coastal erosion has benefited from only limited measures. In fact, under the terms of the Regional Fund procedure, a project that only concerned the protection of the coast as such does not qualify for assistance from the Fund. The Fund can, however, provide finance for projects that possibly include infrastructures for coastal protection, provided the overall investment is essential for the economic development of the region concerned.

The agricultural policy, which is even more restricted in its application, can operate in that context with measures for reforestation and the continuation of farming activities in the less-favoured zones.

With regard to environmental policy, the Community could be instrumental in helping to improve our understanding of coastal erosion, and arranging for the pooling of experience on the subject of the overall management of coastal areas.

The European Parliament's initiative makes a valuable contribution to the debate on the need for a global view of regional development and regional planning

Giolitti

in Europe. The Commission will not fail to take it into account and intends to proceed in this matter in the most concrete way possible — and hence as gradually as may be necessary — starting by strengthening collaboration between the departments, so as to ensure that the forethought advocated by the European Parliament will have a decisive influence on the present and future development of Community policies that affect regional planning.

Mr Gendebien (CDI), rapporteur. — (FR) I shall be very brief, Mr President. I should like to thank the Commissioner for his constructive and encouraging words. I should also like to thank all the honourable Members who have spoken in the debate, most of whom have expressed unreserved approval of the proposal made by the Committee on Regional Policy and Regional Planning.

I should simply like to clarify a few points, to give reassurance where it seems to be needed.

The purpose of a European regional planning scheme is not to set up a new institution but to coordinate and harmonize various activities which are currently carried out in a disjointed manner or which are to be undertaken during the coming years.

The basic aim is to avoid the need for the effects of one policy, implemented without accurate measurement of its potential impact, to be made good, corrected after the event, by another policy.

Taking up something said by the Commissioner, I should point out that we are not thinking in terms of centralized planning. On the contrary, a close reading of the explanatory statement will show that the regional planning that we envisage is based on soundings of needs expressed in the regions and by the regions, and that the task of the Community institutions — the Commission in particular — is seen as one of assessing the merits of various regional or local plans.

I should also like to say in conclusion, Mr President, that although the proposals contained in my report are indeed fairly ambitious, I nevertheless consider that they would be feasible as long as they could be put into practice in stages. There should be no reason why a regional planning scheme could not be applied to certain areas of the Community's or Member States' activities, such as major infrastructure projects, an area in which the Community intends to involve itself, in regard, for instance, to the difficult and intractable problem of activities which create hazards and pollution. It ought to be possible to identify and localize these activities, and then to establish rules to ensure that they are carried on under satisfactory conditions.

Finally, reference has also been made to protection of areas of natural beauty, regional parks, or even international parks. There should be a supranational

authority, a Community authority with powers to lay down regulations on the protection of such areas, with the means with which to establish certain rules and — why not? — to provide finance for certain operations.

I hope that I have been able to provide a few illustrations, a few examples of the gradual way in which the proposals contained in this report could be put into practice.

I hope, Mr President, that this will have allayed, to some extent at least, the misgivings expressed by our Conservative colleagues.

President. — The debate is closed.

The vote will be taken at the next voting time.¹

14. Votes²

DELEAU REPORT (DOC. 1-1013/83 — FINANCING OF INNOVATION)

Paragraphs 4 to 11 — Amendment No 10

Mr von Wogau (PPE). — (DE) I would like to move that we vote separately on paragraph 5 of Mr Welsh's amendment.

After the vote on Amendment No 10

Mr Gautier (S). — (DE) Mr President, is my interpretation correct that as a result of the voting method you have chosen, of which I do not approve, we have adopted paragraph 5 of Mr Welsh's amendment, thereby replacing paragraphs 4 to 11 of the motion for a resolution?

As I understood it, Mr Welsh's amendment was to replace paragraph 4 to 11 by his text. Contrary to the Rules of Procedure, in my view, you allowed a separate vote on this amendment. This left us with only one paragraph, replacing figures 4 to 11. This procedure was not very suitable, but that is the result of it.

President. — Yes, Mr Gautier, that was the wish of the House, and the House was quite clear about it. I shall now ask Mr Deleau therefore if he wishes to make any comment on the matter.

Mr Deleau (DEP), rapporteur. — (FR) Mr President, I think that the vote is very clear. The House has approved paragraphs 4 and 5, but rejected the rest. Consequently, only paragraphs 4 and 5 have been adopted.

Mrs Phlix (PPE). — (NL) I am a little bit surprised at this vote, and I wonder whether the House really realizes that it was paragraph 5 of Mr Welsh's amendment that was being voted on. It seems to me, in fact, that this vote could lead to complete confusion.

¹ Deadline for tabling amendments: See Minutes.

² See Annex I.

President. — Mrs Phlix, it was your own group after all that asked for this vote! Ladies and gentlemen, as far as I am concerned, the matter is perfectly clear. Mr Deleau has spoken in support of the interpretation given by Mr Gautier, and I can only go along with that. That is the decision of the House.

Mr Papantoniou (S). — (GR) I have the impression that there was indeed some confusion in the voting on the Welsh amendment. When you said that we were voting on paragraph 5, I do not think that you explained that this related to the Welsh amendment, and I think that some colleagues may have gathered that they were voting on paragraph 5 of the Deleau report.

President. — Mr Papantoniou, I would like to agree with you, but I really cannot accept that. I explained clearly what we were voting about, because I realized that any decision that the House might take would have far-reaching consequences. The House took its decision, and I can no longer change that.

Mr von Wogau (PPE). — (DE) Mr President, a correct interpretation of the wishes of the House means that paragraph 5 of Mr Welsh's Amendment No 5 now appears as paragraph 4a of the motion. This is the logical extension of what appears in the rest of the report.

Mr J. Moreau (S), chairman of the Committee on Economic and Monetary Affairs. — (FR) Mr President, I find that the way in which you expressed matters just now was unclear. What we have heard since seems to suggest that honourable Members were not aware of what they were voting for. I think that there was an amendment from Mr Welsh calling for the deletion of a number of paragraphs and their replacement by what he was proposing. If I have understood correctly, Parliament is against the Welsh amendment, except as far as paragraph 5 is concerned. In short, I think that, when voting for paragraph 5, some honourable Members thought they were voting for the original paragraph 5.

Mr President, despite what you have just said, I therefore think that it would be useful to check whether we do, in fact, have agreement to follow Mr von Wogau, who has asked for a vote on Mr Welsh's paragraph 5.

President. — Mr Moreau, I asked the rapporteur and he confirmed the interpretation given by Mr Gautier.

Mr Gautier and Mr Deleau made it quite clear that the paragraph 5 in Mr Welsh's Amendment No 10 replaces all the other paragraphs. I myself also see no other way of going about it. We cannot now go into interpretations of what each Member meant when he was voting.

Mr Deleau (DEP), rapporteur. — (FR) Mr President, to clarify this discussion, it is quite clear that had there been a vote just now — a split vote as requested by Mr von Wogau — paragraph 5 would have been approved. I therefore propose that this paragraph should be added to the motion for a resolution whereas all the other points in Mr Welsh's amendment, against which I voted by electronic vote, have been rejected by the House. Is this correct?

President. — Ladies and gentlemen, the simplest thing would be to put it to the House whether it agrees with the rapporteur's view.

(Parliament agreed with the rapporteur's interpretation)

Mr Peters (S). — (DE) Mr President, the Rules of Procedure cannot be waived by a majority vote simply because a group has made a mistake. The Rules of Procedure apply even if a group has made a mistake.

President. — Mr Peters, the House could have asked for an electronic check on the result of the vote. In that way we would have avoided the entire difficulty.

DELOROZOY'S REPORT (DOC. 1-1003/83 — EXEMPTION FROM TAXES)

After the adoption of the Commission proposal for a 7th directive

Mr Delorozoy (L), rapporteur. — (FR) Mr President, I should like, with the agreement of the chairman of the Committee on Economic and Monetary Affairs, to ask the Commission, under Rule 36(1) of our Rules of Procedure, to state what action it intends to take on the amendments just adopted by Parliament.

Mr Tugendhat, Vice-President of the Commission. — Mr President, I have to reply in the only way that the Commission can reply on these occasions, which is to say that we note the amendments that have been adopted. I will consult with my colleagues and we will answer in the Commission statement on action taken at the next part-session of Parliament.

President. — If I understood the rapporteur correctly, he has requested, pursuant to Rule 36(1) of the Rules of Procedure, that no decision be taken until the Commission has made its statement.

Mr Delorozoy (L), rapporteur. — (FR) Mr President, the text, which I have to hand, states that the rapporteur has the duty to advise Parliament to postpone the vote on the motion for a resolution until we know what action the Commission is likely to take, since the formulation that we now have is very different from that proposed by the Commission.

President. — Mr Delorozoy, we must vote on that. Rule 36 provides that the rapporteur or the chairman of the committee responsible can request a postponement of the vote, but the House has to take the decision.

Mr von Wogau (PPE). — *(DE)* Mr President, we have voted on the Sixth Directive, which relates to duty free allowances for travellers. It is important that this measure be adopted today. We have already voted on it.

Do you therefore share my interpretation that our decision now applies only to the Seventh Directive?

President. — No. The resolution covers both; the rapporteur has made that clear.

Mr von Wogau (PPE). — *(DE)* Mr President, would it be possible to vote separately on the Sixth and Seventh Directives?

President. — Both directives were adopted by the House as amended. The rapporteur, Mr Delorozoy, has asked that the Commission's view should also be taken into consideration. However, as Mr Tugendhat has explained, the Commission's view can be given only at the next part-session. Consequently, Mr Delorozoy has availed himself of the right under Rule 36(1) to request that the vote be postponed.

Mr Barbi (PPE). — *(IT)* Mr President, if I have understood correctly, the Rule says that the rapporteur may advise the House to await the Commission's reply. However, the House can also decide to ignore this advice and to go ahead with the vote.

President. — Mr Barbi, that is why we are voting after all. It is for the House to decide whether we vote now or whether we agree to the rapporteur's request.

Mr Delorozoy (L), rapporteur. — *(FR)* So that everyone is fully in the picture and the matter is entirely clear, the text states that the rapporteur has a duty to advise. That is why I am really asking that the vote be postponed and that this be decided on by a vote of the House.

President. — In my copy of the Rules it says that the rapporteur may make this request, and that is what he has done.

(Parliament rejected the request that the vote be postponed)

Mr Edward Kellett-Bowman (ED). — Mr President, is it not now in order for the rapporteur or the chairman of the committee responsible to take this report back to the committee?

(Cries of 'no', 'no')

President. — Mr Kellett-Bowman, the request can certainly be made that this report be referred back to committee. Do you wish to make such a request?

Mr Edward Kellett-Bowman (ED). — Mr President, the question I asked you was whether it is not in order for the rapporteur to do this?

President. — Mr Kellett-Bowman, you are only holding up the proceedings.

*(The sitting was closed at 7.15 p.m.)*¹

¹ Agenda for next sitting: See Minutes.

*ANNEX I**Votes*

The Report of Proceedings records in an annex the rapporteur's position on the various amendments as well as explanations of vote. For details of the voting the reader is referred to the Minutes of the sitting.

**DE PASQUALE REPORT (DOC. 1-984/83 — CONCILIATION PROCEDURE):
ADOPTED**

The rapporteur was :

- IN FAVOUR OF Amendments Nos 1 to 9 ;
- AGAINST Amendment No 10.

Explanations of vote

Mrs Hammerich (CDI). — *(DA)* For the hundred and seventeenth time, I am obliged to say that we in our movement are opposed to Parliament's attempt to gain more power for itself and that we will not go along with it. What this is about is acquiring rights of consultation in all the fields in which Parliament itself thinks it would be a good idea, in all possible fields, i.e. in effect Parliament is insinuating itself into the area of legislation, slowly but surely it is securing legislative status for itself. Some people sitting here in Parliament think that is very democratic. We do not think so, for we believe in local democracy. People should determine events where they live and work, and we want our Folketing to tighten up its control over EEC policy. We are not alone in opposing this kind of proposal, the great majority of the Danish people — over 50 % — and in effect the Danish Government too are against it. So you might just as well abandon the attempt without further ado.

Mr Alavanos (COM). — *(GR)* There is certainly cause to look into the matter of communications between the Community's bodies. Mr De Pasquale's report certainly contains some interesting facts. Nevertheless, we think the problem is one of changing policies, which cannot be solved by institutional means. For this reason, we see much that is negative in these institutional developments. We consider that behind the conflict often observed between Council and Parliament, there lies a conflict between two decision-making systems — the system of unanimity and the majority system. We consider that the latter is a dangerous system, and from that point of view we oppose these proposals. We take into account what was said yesterday by Mrs Hammerich and by Commissioner Andriessen, namely, that the proposals in the De Pasquale report are not in line with the Treaty of Rome. We fear that whereas on the one hand we set high goals via the Genscher-Colombo or Spinelli proposals, on the other hand we are pursuing a tiptoe policy in our efforts to achieve these goals. For these reasons the Members of the Greek Communist Party will vote against the Commission's report.

* * *

**DELEAU REPORT (DOC. 1-1013/83 — FINANCING OF INNOVATION):
ADOPTED**

The rapporteur was :

- IN FAVOUR OF Amendments Nos 1 to 4 and 7 to 9 ;
- AGAINST Amendments Nos 5 and 10.

Explanations of vote

Mr Papantoniou (S). — *(GR)* The importance of SMU's for the Community's economic recovery is generally recognized by all sides of this House. One of the basic causes of the economic crisis is the sluggishness with which European productive structures have adapted to the rapid changes in the economic environment during the last decade. SMU's possess precisely this flexibility and adaptability, which is absent in larger units, especially as regards adapting to market and technological developments.

For this reason, I agree with the Commission's proposals regarding Community finance for innovation in small and medium-sized undertakings, and I believe that even though the initial scale may be too small, it could develop into an important factor for technological progress in the Community.

I also welcome as positive the adoption of Amendments Nos 1 and 2 by the Economic and Monetary Committee, which specify clearly that the purpose of the proposal is to support SMU's, and envisage procedures for Parliament to ascertain to what extent the conditions and criteria of this finance are being fulfilled.

Mr Alavanos (COM). — *(GR)* We European Members of the Greek Communist Party will not vote against the Deleau report, nor, however, will we support it. In our opinion it possesses a number of positive features, especially when contrasted with views such as those expressed by the Welsh amendment. Despite this, we have two basic reservations. Firstly, the matter of criteria that define SMU's is not made clear. Thus, according to the Community's criteria, all the firms that are large by Greek standards are considered small to medium-sized, except for 18 which have more than 500 employees. Secondly, the substantial factor in our view is that the productive potential of SMU's should be integrated into a policy of national production development, and not a framework of major employees as evidenced by a recent seminar in Athens on small to medium-sized undertakings.

I must also add that if SMU's are to survive in Greece, it is essential for them to recapture the domestic market which, at present, has been taken over by European multinationals.

Mr J. Moreau (S), chairman of the Committee on Economic and Monetary Affairs. — *(FR)* For my part, I should have wished to vote for the motion for a resolution contained in Mr Deleau's report, but, following adoption of Mr Welsh's Amendment No 10 and in view of the discussion that had taken place in the Committee on Economic and Monetary Affairs, I am obliged, very reluctantly, to abstain. The Committee on Economic and Monetary Affairs discussed this matter at length, and a number of us had a very different approach from Mr Welsh's. From my point of view, it is a pity that the Chair did not allow the situation to be clarified adequately, and I am convinced that some honourable Members did not know what they were doing when voting for Amendment No 10. It is for this reason that we shall be abstaining.

Mrs Théobald-Paoli (S), in writing. — *(FR)* Small and medium-sized businesses are sources and vectors of innovation, not least in new technology. However, they experience difficulties in financing their operations, on account of their limited access to the capital market, their under-capitalization and the limited security, if any, that they are able to provide.

Adoption by the European Parliament of my report on the European plan for the dissemination of innovation was a first step in the direction of circulation of technological information for the benefit of small businesses.

Along the same lines, the Commission's proposal, with which this report is concerned, aims to give small and medium-sized businesses access to subsidized loans to finance innovation.

This aim is one that we welcome wholeheartedly. As the French Minister for Industry, Mr Laurent Fabius, pointed out recently, 'It is clear that innovation cannot be regarded as an exclusively technical sphere, the preserve of a select few, since it is an attitude of mind, a general pattern of behaviour'.

However, the means and methods proposed give grounds for some misgivings in this period of budgetary austerity, and further thought should be given to them.

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**DELOROZOY REPORT (DOC. 1-1003/83 — EXEMPTION FROM TAXES):
ADOPTED**

The rapporteur was :

- IN FAVOUR OF Amendments Nos 1 to 5, 7, 8, 14 (1st part), 20, 21, 23, 26 and 34 ;
- AGAINST Amendments Nos 6, 9 to 14 (2nd part), 15 to 19, 22, 24, 25, 27 to 31 and 33.

Explanations of vote

Mr de Ferranti (ED). — I shall vote in favour of this motion for a resolution with great reluctance, and the way the voting has gone is an indication of why. Whilst we should have regard to the fact that duty-free trade is popular, the green and red channels at our airports serve to remind Community citizens that we do not have a common market. Rather than impose quantitative restrictions, it would be better to work towards allowing trading organizations that have bid for and won concessions to sell at airports, etc., on a so-called duty-free basis to sell without any price or quantitative restrictions whatsoever and then hypothecate a suitable percentage of their income to defray airport and other expenses. Some price advantage could continue to accrue to travellers, but market forces would do the work and bureaucratic rationing could be abolished.

Mr M. Martin (COM). — (*FR*) In the vote on the improved final version of the motion for a resolution attached to the report by Mr Delorozoy, the French Communists and Allies will be guided by the threefold concern for realism, equity and balance. It is realistic to secure the financial viability of our airports, for which duty-free sales represent a necessary source of additional income. It is equitable to keep the benefit allowed to travellers on journeys within the Community to reasonable limits, since otherwise it would be unfair to other consumers. The balanced course is to reconcile realism and equity. Whereas the Commission did not go far enough and the proposal attached to the report by Mr Delorozoy went too far, the amendments that have been voted establish a reasonable balance. We are therefore able to vote in favour of the proposal as amended.

Mrs Gredal (S). — (*DA*) I voted against both Commission proposals for the Sixth and Seventh Directives, and I shall also vote against the Delorozoy report. It is my opinion that they go too far in their respective directions. The Directives provide that only goods purchased in duty-free shops to the value of 45 units of account may be imported, and we find that an unreasonably low amount. On the other hand, we are against the proposal from Mr Delorozoy under which we should by 1987 be able to import goods to the value of 400 units of account, i.e. the great majority of consumer goods, white goods, TV and radio equipment. As Danish Social Democrats, we must retain the right to administer an arrangement which takes reasonable account of the Danish duty structure. Only in this way shall we be able to stop our own industries and traders being put out of business by duty-free imports. No one in Denmark can be happy with the prospect of thousands of jobs being lost, and we must therefore retain the right to continue to apply rules.

Mr Moreland (ED). — It has always been a principle of the Commission and the Parliament that there should be equal treatment between alcoholic products. The reason why I shall abstain on this resolution relates solely to the Sixth Directive, because I believe it is wrong that the Sixth Directive talks of increasing the exemptions on wine only. That I believe to be improper. Exemptions should be changed by whatever percentage across the board. It is, in my view, totally wrong of the Commission, which has taken countries to court on this issue, to break that principle itself. I am surprised that Parliament has been following that today. I suspect that some people do not realize quite how they have voted today. I therefore regret that I shall have to abstain.

Mr Pearce (ED). — I will be voting for this resolution but with a certain reluctance. I had hoped in one of the amendments to draw attention to the very strange fact that at least one Member State government takes it upon itself to decide which airports can have duty-free shops and which may not. In the case of the airport in the city of Liverpool, it has denied the presence of a duty-free shop even though the neighbouring airport of Manchester has one. The result of this situation is that package tour operators are very reluctant to use this airport because passengers want their 'duty-free'. The situation is exacerbated by the fact that the local authority has been prepared to pay the whole of the cost of running the customs services to supply this facility. Therefore, it seems to me that this resolution should have contained a demand that duty-free shops should be available at all points where passengers go from one country to another, provided that there is no undue cost burden on the taxpayer. I wish this resolution had said that. An injustice is being done in the case of my local airport and I thought this was a chance to rectify it. I will, however, support the resolution.

ANNEX II

1. Questions to the Council

Question No 2, by Mr Couste (H-164/83)

Subject : Patent Convention

Will the Council give a progress report on ratification of the Patent Convention and state when it thinks this convention can actually be brought into force ?

Answer

As the Council stated on 11 February 1983 in its reply to Written Question No 1740/82 put by the honourable Member, Belgium, Germany, France, Italy, Luxembourg and the United Kingdom have already completed their parliamentary procedures for adoption of the Luxembourg Convention for the Community patent.

I regret that I am unable to announce today that the other Member States have completed their national procedures in the meantime.

As stated in Article 98 of the Luxembourg Convention, that Convention will enter into force three months after deposit of the instrument of ratification by the last signatory State to take this step. As the Council has no power over parliamentary procedures in the various Member States, I am unable to tell the honourable Member when the Convention can actually be brought into force.

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Question No 9, by Mrs Schleicher (H-507/83)

Subject : Environmental impact studies

Can the Council indicate what progress has been achieved in its discussions on the Commission's proposal for a directive on environmental impact studies, which major problems are still preventing early adoption of the proposal and what prospects it sees for adoption at the next meeting of the Council of Ministers of the Environment ?

Answer

At its meeting on environment questions on 28 November 1983 the Council resolved most of the problems outstanding in connection with the proposal for a Directive concerning the assessment of the environmental effects of certain public and private projects.

However, the Council was not able to reach unanimous agreement on the Directive at that meeting. The Council hopes that it will be possible in the very near future to resolve the last outstanding question in this matter.

* * *

Question No 11, by Mr Hutton (H-375/83)

Subject : Contact group between Parliament and Coreper

In view of the totally inadequate answer by the Council to Question No H-291/83¹ at the September session, and of the fact that after five months it has failed to reach a decision on establishing informal contacts between Parliament and Coreper, will the Council now either come to an agreement on this matter, or admit that agreement is impossible and make new proposals for contacts with Parliament ?

¹ Verbatim report of proceedings of 14. 9. 1983 (Provisional edition).

Answer

The Council confirms its reply to Question No H-291/83 and would inform the European Parliament that for the time being it is unable to adopt a position on the possible establishment of informal contacts between representatives of the European Parliament and the Permanent Representatives on certain institutional questions.

* * *

Question No 13, by Mr Marck (H-505/83)

Subject : Greek Presidency

The number of meetings of ministers, their assistants and government experts held away from Brussels and Luxembourg, the normal meeting places, has increased sharply during the Greek Presidency.

How many meetings of ministers, their assistants and government experts have been held in Greece since 1 July 1983 and what additional travel and subsistence costs have been incurred as a result for Council officials, interpreters and other members of staff?

Answer

During the Greek Presidency the following meetings were held in Greece :

- two Special Council meetings, as a result of the decisions taken in Stuttgart, in preparation for the European Council which took place in Athens from 4 to 6 December ;
- six meetings of Council Working Parties or Committees of Experts.

In addition, ten informal ministerial meetings were held in Greece. The costs of such meetings — given their very nature — are not borne by the Council budget.

* * *

Question No 14, by Dame Shelagh Roberts (H-518/83)

Subject : Discrimination against black British day trippers by the French immigration authorities

In view of the informal consultation which takes place between the Commission and the Council concerning the preparation of replies to questions by Members of the European Parliament ; and in view of the Commission's answer to Question No 85, by Lord Bethell (H-426/83)¹ that it was seeking information from the French Government concerning the above-mentioned subject, will the Council reconsider its answer to my Question No 11 (H-356/83)² ?

Answer

The Council confirms its reply to the effect that, subject to the provisions relating to freedom of movement, the problem raised by the honourable Member is a matter for the public policy of the Member States.

It will be for the Commission to evaluate the explanation given by the French Government and to decide on whether to take any action.

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¹ Verbatim report of proceedings of 12. 10. 1983, p. 389.

² Verbatim report of proceedings of 12. 10. 1983, p. 352.

Question No 15, by Ms Clwyd (H-530/83)

Subject : Dissatisfaction among officials with their employers

Would the Council comment on a report that increasing dissatisfaction among officials with their employers, the respective European Community Institutions, is proving a costly and time-consuming business ? The European Court of Justice is currently being asked to sieve through 1 283 staff cases to determine the validity of the particular grievance. These cases are estimated to cost the taxpayer some £ 1.3 m by the time they reach judgment.

Would the Council agree that poor staff/management relations in the Institutions, and the waste of taxpayers' money, should not arise in well-managed institutions ?

Answer

1. It is not for the Council to comment on the cost of individual or collective actions brought by Community employees. However, it would point out that the number of cases of this kind before the Court of Justice of the European Communities illustrates the legal guarantees which officials and other servants enjoy under the Staff Regulations.
2. As an Institution, the Council has always tried to maintain the best relations with its staff. It is its constant concern to avoid any form of waste.
3. The Council has no reason to believe that the actions brought before the Court of Justice of the European Communities are primarily the result of bad management in the Institutions.

* * *

Question No 16, by Mr Tyrrell (H-534/83)

Subject : Protection of battery hens

Amended proposals for a Council Directive laying down minimum standards for the protection of laying hens kept in battery cages were transmitted to the Council on 11 June 1982¹, following the opinion of the European Parliament. Can the Council explain why it has not yet adopted the Directive ?

Answer

On 6 August 1981 the Commission forwarded to the Council, in the light of the Council Resolution of 22 July 1981, a report and a proposal for a Council Directive laying down minimum standards for the protection of laying hens kept in battery cages, on which the European Parliament delivered its Opinion on 23 April 1982. The Council has not yet reached agreement on a number of important points and it has therefore not yet been possible to adopt the Commission proposal.

In view of the outcome of previous discussions and the fact that the Commission's research was to be continued in greater depth, the Council on 14 June 1983 asked the Commission to submit as soon as possible and in any event before 1 January 1985 a report on the research carried out in the Community on the well-being of laying hens in different breeding systems and on the possible economic and financial consequences of adopting minimum Community standards for laying hens, to enable it to take a decision on the matter.

* * *

¹ OJ C 187 of 22 July 1982, p. 4.

Question No 18, by Ms Quin (H-543/83)

Subject : Reaction of developing countries to the European Commission's proposals for a tax on oils and fats

Has the Council discussed the reactions of countries outside the EEC to the Commission's proposals for a tax on oils and fats? In particular have any discussions with developing countries — including the members of ASEAN — taken place with regard to this subject?

Answer

In its examination of the Commission's proposal for a tax on oils and fats, the Council is considering all those factors which might influence its final decision, including the reactions of countries outside the EEC. In any event, should there be such a decision, it will be taken with due regard to mutually agreed international commitments, including the rules of GATT.

With particular reference to the ASEAN countries, at the fourth meeting of the EEC/ASEAN Joint Committee on 5 and 6 October 1983, these countries expressed grave concern about this proposal, which would, in their eyes, adversely affect their exports to the Community.

The Community took this opportunity of noting the various arguments put forward by the ASEAN countries, but stated that there could not be any in-depth discussion, as the talks in progress at the Council had not yielded any decision on the matter.

* * *

Question No 20, by Mr Moorhouse (H-550/83)

Subject : International Air Couriers

International air couriers are now accepted as an essential business service. Although widely used by most major European companies, international air couriers have not yet had their right to free establishment recognized by some Member States, where postal legislation provides only for State monopolies in this area regardless of whether or not postal services can offer an international courier facility.

Will the Council take steps to rule that Article 55 of the Treaty should not apply to such activities, as these clearly do not impair the exercise of official authority?

Answer

On 13 July 1981 the Council adopted a Recommendation on the carriage of express low weight cargo by air. The Council therein recommended that Member States facilitate the carriage of express low weight cargo by air on existing services and treat applications for the introduction of new services in this sector as favourably as possible.

* * *

Question No 21, by Mr Alavanos (H-551/83)

Subject : Revision of the ERDF

In its new comprehensive proposals to the Council on the revision of the European Regional Development Fund (ERDF), the Commission proposes that the amount for Greece should vary between 11.5 % and 15.6 %. This amount is very small in relation to Greece's needs, especially since the Commission itself has officially acknowledged that Greece's regions are the poorest in the EEC. On the other hand, the amounts proposed for economically developed Member States are much higher. What measures does the Council intend to take to ensure that the ERDF's resources are distributed on the basis of criteria that correspond to real regional development requirements in the Community?

Answer

Council has only just received the Commission's new proposal, concerning which it has again sought Parliament's opinion.

At this stage it is impossible to know what Council's attitude will be to the 'range' proposed for Greece, and indeed to the very principle of a 'range' in place of the quotas envisaged by the previous rule in force.

Council will be particularly interested to learn the House's reaction, both to the specific point referred to by the honourable Member, and to the entire group of problems posed by the Commission's new proposal, especially Article 4, paragraph 3 concerning indicative ranges.

II. Questions to the Ministers of Foreign Affairs

Question No 27, by Mr Alavanos (H-411/83)

Subject : Pressures on the Greek Government to determine its foreign policy

Can the Ministers meeting in political cooperation say to what degree 'political cooperation' is based on the principle of unanimity and whether it is possible only when there is unanimity of opinion among the Ten ; and if it is so because there are such vehement reactions to the Greek standpoints on the Boeing affair from the partners in 'political cooperation' themselves?

Answer

European Political Cooperation is based on the rule of 'consensus'. This rule has never been called into doubt.

The Ten discuss among themselves all important questions relating to foreign policy that are of common interest. During these talks they take into account the position of each of the partners, with a view to adopting a common position where possible.

* * *

Question No 28, by Mr Ephremidis (H-413/83)

Subject : Unacceptable acts of war by the USA in Lebanon

Since the beginning of the second half of September American forces have been intervening directly in the civil war in Lebanon. These actions by the USA go clearly beyond the bounds and the original aims of the multinational force, which was set up to prevent clashes between Israeli and Arab forces, constitute foreign intervention in Lebanon's internal affairs, hit other countries in the region, such as Syria, and generate risks of a more widespread flare-up in the region. The USA's unacceptable acts of war have met with direct and indirect criticism from the governments of EEC Member States such as France, Italy, Greece and others.

Can the Foreign Ministers meeting in political cooperation say what specific measures they are going to take to condemn and discourage American military intervention in Lebanon, which is clearly outside the framework of the EEC's Middle East policy, and to secure the immediate withdrawal of the multinational force, as called for by the National Salvation Front of Lebanon ?

Answer

The Ten have followed the dangerous situation in the Lebanon with close attention and with the greatest concern. They have expressed their satisfaction at the ceasefire agreed last September 26th, and their hope that the ensuing dialogue will end in national reconciliation and preservation of the unity of that country.

The matters raised by the honourable Member in his question have not been discussed within the framework of political cooperation. At any rate, the Ten hope that the multinational force, whose peacekeeping role, like that of Finul, was supported in the conclusions reached by the European Council on 21-22 March 1983, will be able by virtue of the consent of all parties involved, to continue its peaceful mission in accordance with the principles that led to its formation.

* * *

Question No 31, by Mrs Van Hemeldonck (H-510/83)

Subject: The disappearance in Africa of nationals of four Member States

On 2 July 1983 Jan-Willem Baudouin (Belgium), Trix Oosthuyzen (Netherlands), Torven Augustinus (Denmark) and Nodele Delany (Ireland) set out from Mpulungu in Zambia on a sailing trip on Lake Tanganyika, leaving their luggage and passports behind in Mpulungu. On that day, the powerful Kapata wind was blowing in a north-easterly direction, i.e. towards the Tanzanian border, which is not far from Mpulungu. The four have been missing since 2 July 1983.

What approaches have the Ministers made to Tanzania and Zambia, which are both signatories to the Lomé Convention, to try to locate these people and with what results ?

Answer

First of all I would like to comment that the subject raised by the honourable Member in her question lies outside the scope of European Political Cooperation, because it falls within the Ambassadorial competence of the Member States involved. However, I would like to inform Mrs Van Hemeldonck that as Belgium and Ireland have told us, approaches have been made to the authorities in Tanzania, Zambia and Zaire concerning the location of those missing. It should also be noted that the Dutch Embassy in Dar-es-Salam and Swedish volunteers are participating in the search, unfortunately without so far discovering any trace of those missing.

* * *

Question No 33, by Mr Kyrkos (H-392/83)

Subject: US obstruction of Mr Gromyko's attendance at UN assembly

The UN Secretary-General, Mr de Cuellar, has severely criticized the American authorities for obstructing the Soviet Foreign Minister, Mr Gromyko, on his way to attend the UN General Assembly.

Does the Council of Ministers meeting in political cooperation believe that the prevention of dialogue in the most responsible international forum assists the search for solutions or serves the cause of propaganda and fanaticism, which plunges mankind into the abyss of tension ?

Answer

In reply to this question I would like to inform you that the matter has now been discussed within the scope of European Political Cooperation.

* * *

Question No 34, by Mr Tyrrell (H-487/83)

Subject: Policy towards the Ukraine

As the Ukrainians commemorate this year the 50th anniversary of the 'artificial famine' imposed on them by the foreign invader in 1933, which is said to have cost the lives of some five million people, can the Foreign Ministers state their policy towards the people of the Ukraine both resident there, and in exile?

Answer

The Ukraine is of course a part of the Soviet Union. This being so, the policy of the Ten towards the Ukrainian people is no different from their policy towards the people of the entire Soviet Union.

* *

Question No 36, by Mrs Lizin (H-557/83)

Subject: Letter sent to certain of their number by Yuri Andropov

Have the Foreign Ministers meeting in political cooperation discussed the terms of the letter sent to certain of their number on 28 November by Yuri Andropov, which sought to prepare the way for a new round of talks?

Answer

This matter has not been discussed within the framework of political cooperation.

* * *

*III. Questions to the Commission**Question No 42, by Mr Couste (H-395/83)*

Subject: See-through vacuum-packing method of preserving meat

Is the Commission aware of, and in the context of the development of Community agricultural foodstuffs industries, what does it think of the new see-through vacuum-packing method of preserving meat, which is reportedly faultless from the bacteriological point of view?

Answer

The Commission is aware of the procedure of wrapping fresh meat in vacuum with transparent wrapping to protect the meat during distribution.

The Commission considers that such meat should be subject to health controls during production, storage and transport in the same way as other meat to ensure its hygienic quality.

* * *

Question No 43, tabled by Mr Cecovini (H-437/83) (x)

Subject: Increased taxation in the countries of the Community

Recent statistics show a striking increase in taxation in relation to the gross domestic product in almost all the countries of the Community. What steps does the Commission intend to take to encourage an easing of the tax burden?

Answer

It is quite true that the proportion of obligatory taxes to gross domestic product has risen sharply in the Community in recent years. Between 1979 and 1983 total obligatory taxes went from 37.5 % of the Community's domestic product to 42.8 % taxation from 12.7 % to 14 % and direct taxation from 11.4 % to 13.3 %, while social security contributions represented 15.5 % of gross domestic product in 1983 as against 13.5 % in 1979.

The economic crisis and the rise in unemployment have had the effect of both reducing certain tax revenues and increasing expenditures, particularly in the form of allowances paid to households. Interest repayments on the public debt have also risen sharply. Thus total public expenditure went from 44 % of gross domestic product in 1979 to 52% in 1983. In these circumstances the Member States, especially since 1982, are trying to curb the increase in their budgetary deficits by holding down the increase in public expenditures and by imposing heavier tax burthens. However, 1983 has seen a slowing down in the rate of increase of obligatory taxes.

On several occasions, most recently in the annual economic report for 1983-1984 which it has just submitted to the Council and to the European Parliament, the Commission has recommended that the Member States take a firmer grip on public expenditure with a more pronounced orientation towards productive expenditure. It has also asked them to make every effort to reduce structural budgetary deficits and to arrest, if not to reverse, the trend towards ever-increasing tax burthens.

* * *

Question No 49, by Mr Rogalla (H-348/83)

Subject: 'Steel Deal'

Is the Commission aware of the situation and projected measures described in the attached extract from the *Economist* of 9. 7. 1983 and, if so, why did it fail to respond to them during the urgent debate on steel problems of 7. 7. 1983, and how is the European Parliament being kept informed of developments?

Answer

The facts described in the article referred to are known to the Commission.

As soon as the US administration had announced its import relief measures for the domestic specialty steel industry on July 5 last, the Commission made public, and transmitted to the US Government, its protests against the measures.

The emergency debate referred to, taking place only two days after the US measures had been announced, focused on the planned restructuration programme for the EC iron and steel industry.

Only in the margin of the debate was the specialty steel issue briefly touched upon by one Member of Parliament. On behalf of the Commission Mr Davignon explained that the Commission had protested immediately against the measures and further expressed confidence that the Communities would succeed in settling this dispute if they would remain united.

The EC protests were repeated in the meeting of the OECD Steel Committee of July 20 last. The Commission representative expressed the opinion that the measures were not compatible with the conclusion and commitments of the OECD Ministerial Council and of the Williamsburg Summit to halt protectionism, nor with the 1977 consensus to avoid shifting the burden of adjustment from one producing country to the other.

Since then a number of consultations have taken place within the framework of GATT Art. XIX between representatives of the Commission and the US Government on the issue of compensation for injury caused to EC producers by these measures. By now the US have accepted to offer compensation, both for products for which tariffs have been increased and for products for which quotas have been imposed. The amount in question, however, is still unacceptable to the EC. Further consultations will take place mid-November, before the next meeting of the Foreign Affairs Council.

The Commission, supported by the Council, has always clearly stated that the Communities reserve their full rights under GATT in case a speedy satisfactory agreement with the US should prove impossible to reach.

Since the US measures were announced Parliament has had several opportunities to discuss the matter with Commission representatives; notably during the sessions of the Committee for External Economic Relations, and also in sessions where oral parliamentary questions are answered.

* * *

*Question No 51, by Sir Peter Vanneck (H-519/83)**

Subject: Social Fund and Yorkshire and Humberside region

Can the Commission confirm that the Yorkshire and Humberside region of the United Kingdom will count as a priority region for the purposes of the Young Persons field of intervention under the Social Fund in 1983?

Answer

The Commission confirms that the Yorkshire and Humberside region of the United Kingdom is included in the list of youth unemployment priority regions in respect of Social Fund aid for young people's schemes in 1983. The list of regions was published in July 1983¹ and has been applicable to all this year's applications under the 'young people' field of intervention from 1 January 1983.

* * *

Question No 52, by Mr Kirk (H-379/83)

Subject: French trade arrangements

Can the Commission state what progress has been made in negotiations with the French Government on the trade arrangements which were announced in a communiqué from the French Government on 16 October 1982 and which conflicted in all essentials with the EEC Treaty's provisions on free trade between the Member States (see the European Parliament's motion for a resolution, Doc. 1-872/82, 15. 11. 1982)?

* Former oral question without debate (0-73/83), converted into a question for Question Time.

¹ OJ No C 194 of 21 July 1983.

Answer

1. Towards the end of 1982, pursuant to Article 169 of the EEC Treaty, the Commission initiated proceedings against France for failure to fulfil an obligation under the Treaty. These proceedings related to two measures that had particularly serious implications for the Community:

- the regulation of 21 October 1982 designating the Poitiers customs post as the only customs clearance station for the import of video recorders;
- the Order of 20 October 1982 whereby French was to be the sole language used in carrying out customs formalities.

2. In both cases the French Government has agreed to a solution in line with the provisions of the Treaty:

- The so-called Poitiers Regulation was revoked on 28 April 1983.
- The Order on the use of the French language was clarified and supplemented by an administrative provision published on 13 April 1983 which conforms to the requirements of Community legislation.

* * *

Question No 53, by Mr Purvis (H-383/83)

Subject: Institute employment creation schemes

Several local Authorities were encouraged by the Commission to institute employment creation schemes in regionally assisted areas, to find that, having committed substantial amounts of their own funds, the Commission has found technical difficulties in disbursing its share.

Have these difficulties been resolved and can the Commission assure the applicants that these schemes can proceed with EEC financing being available?

Answer

In the fourth series of Social Fund grants for 1983, as agreed by the Commission on November 3, some £ 4.3 million was earmarked for employment creation schemes sponsored by various UK local authorities. These schemes were classified as in past years under the fourth priority of the Article 5 'regions' category of intervention in accordance with the Guidelines for the management of the Social Fund. Given the disproportion between the volume of applications for aid and available appropriations, which was particularly high in this category of intervention in 1983, no decisions on aid for schemes classified in fourth priority could be taken before all applications for 1983 had been received and duly processed and account taken of any additional resources made available through refunds. The local authorities, referred to by the honourable Member, were informed about these difficulties which were of a budgetary rather than a technical character.

* * *

Question No 54, by Mr Gérard Fuchs (H-405/83)

Subject: Mobilizing NCI 3 on behalf of the ACP countries.

Does not the Commission think it should be possible for part of the appropriations available under NCI 3 to be used to carry out industrial products of Joint ACP-EEC interest in the ACP countries, and, if so, is it prepared to make a proposal to the Council for a new regulation to that effect?

The honourable Member thanks the Commission's services for their first answer to this question, which reminded him of the existing situation, of which he was in any case aware, as he has the good fortune of knowing how to read. However, can the Commission consider giving a more detailed answer?

Answer

To make funds under the NCI available for projects in certain developing countries, including certain ACP States, would, in the long term, be one of the possible ways of making more effective use of Community financial instruments for the benefit of the developing countries. This use would be based on recourse to the resources of the market, as indicated in the recent Commission memorandum on Community development policy.

However, it must be pointed out that, pursuant to the financing arrangements laid down in the Lomé Convention, the Community can already, through the EIB, play a part in implementing industrial projects in the ACP countries.

The Community has no intention in the immediate future of proposing to the Council that the field of application of the NCI be extended.

It takes the view that at the present time absolute priority must be given to renegotiating the traditional financial instruments on which the Community can call in the matter of cooperation with the ACP States, while the NCI should at this stage remain what it was originally intended to be, namely, an instrument for financing investment projects within the Community, thus promoting increased convergence between and integration of the economic policies of the Member States as well as strengthening the competitive position of the Community's economy.

* * *

Question No 55, by Mr Collins (H-420/83)

Subject: Lead in petrol

Can the Commission indicate what progress has been made as to the interim report on lead in petrol, the elaboration of which Council required during the meeting of the Environment Council on 16-17 June 1983 with a view to preparing for the examination of the proposals which the Commission will be presenting around 15 April 1984?

Answer

1. The interim report for the Council on the question of lead-free petrol, scheduled for 28 November 1983, was presented only in the form of a brief oral exposé, which concentrated principally on the work of the ERGA II group. This exposé is summarized below.
2. The ERGA II group was instructed at the beginning of July to study the specific issues connected with the reduction of the lead content of petrol. This study was to cover the following factors:
 - firstly, the technical and economic consequences of the reduction of lead levels in or of the production of lead-free petrol for the oil industry, the motor vehicle industry and consumers;
 - secondly, the relationships between lead in petrol and lead in the atmosphere and foreseeable changes, according to the number (and type) of vehicles, consumption, driving conditions, etc. within the Community;
 - thirdly, the effects of changes in petrol composition on vehicle emissions, both regulated (uncombusted hydrocarbons, carbon monoxide, nitrogen oxides) and non-regulated (PAH, PAN, aerosols) and the related technologies and,
 - lastly, all other influential factors.
3. The ERGA II group has studied various scenarios, based in particular on different grades of petrol.

4. The group has set up three working groups to study the aspects specific to each of the three sectors, namely vehicles, refineries and consumer and environmental aspects. The work of these sub-groups is coordinated in the plenary meetings of the main group and will be submitted to the Commission in the form of a final report by 1 March 1984.

5. Consequently, it is too early to present concrete results from the discussions so far. It would also be premature at this stage to express any detailed views on which measures the Commission might subsequently propose. The Commission still intends to submit proposals to the Council by April 1984 at the latest.

6. In addition to the proposals on the lead content of petrol, the Commission also intends to submit proposals on the future limit values for pollutant emissions by motor vehicles. These proposals will be based primarily on the findings of the ERGA I expert group. It will also consider the energy efficiency of refineries and motor vehicles.

7. It is unlikely that the Commission will propose the use of any particular technologies. Where a transitional period for the introduction of lead-free petrol is considered necessary, the Commission will insist that Community law be observed during such a transitional period, and especially that there be no interference with the free movement of goods and the rules on competition.

* * *

Question No 61, by Mr Seligman (H-499/83)

Subject: Ireland and the Community's Gas and Electricity Grids

What steps is the Commission taking to encourage investment in gas and electricity grids between Ireland and other Member States of the Community?

Answer

The Commission believes that, in addition to improved security of supply, the potential for increased electrical energy exchanges offered by further extension and reinforcement of the system of interconnections can provide a major asset to the Community in the 1990s and beyond. In the longer term, the Community will be better equipped to optimize the economy of electricity supply in the face of currently unforeseen development in the cost and availability of input energy supplies for electricity production. For these reasons the Commission has included the area of electricity interconnection in its proposals to the Council for a pluri-annual investment programme in the energy sector.

In this context, the Commission will be examining the most effective means of accelerating such investment, particularly in those projects which have so far been found to be difficult to justify on economic grounds alone. Possible interconnection between Ireland and other Member States of the Community will be included in such examination.

* * *

Question No 62, by Mr Marck (H-504/83)

Subject: Greek Presidency

I would like to know how many meetings held in Greece since 1 July 1983 have been attended by Commission officials and what additional travel and subsistence costs have been incurred as a result for officials, interpreters and other Commission staff?

Answer

Representatives of the Commission take part in all meetings of the Council and of its subsidiary bodies, as well as all meetings of the Foreign Ministers meeting in political cooperation. The honourable Member is referred to the answer given by the Council to his Question No H-505.

However, the Commission has organized a certain number of meetings in Greece, but this had nothing to do with the fact that the presidency was held by that country. The number of such meetings was relatively small and was on a par with the number of meetings held during other presidencies.

With regard to the additional costs incurred by attendance at those meetings to which the honourable Member refers, the Commission does not have sufficiently accurate figures at its disposal to be able to give a picture of the situation.

* * *

Question No 63, by Mr Van Rompuy (H-512/83)

Subject: Tax-free zones

What are the Commission's views on drawing up a European statute for tax-free zones (T-zones) to promote employment opportunities?

Answer

The Commission has agreed to the establishment in Belgium of a number of employment zones. Its approval was subject to a number of strict restrictions to prevent distortions of competition between the Member States incompatible with the Treaty.

The Commission has no intention of elaborating a European statute to generalize such zones. Their effectiveness in resolving employment problems at Community level is not yet proven.

One of the reasons for the Commission's approval is the fact that the project in Belgium, as in other countries, is experimental. Like the honourable Member the Commission is interested to see what effects it may have on unemployment in Belgium. It may well be some time before the first results are known.

* * *

Question No 64, by Mr Adamou (H-514/83)

Subject: Imports of raisins from the USA and Turkey and measures restricting Greek production

What arrangements apply to imports of raisins from the USA and Turkey, etc.? What quantities are imported in relation to Community production and why, in view of the fact that the EEC's raisin production is smaller than its requirements, has the Community proposed limits for the quantity of Greek raisins produced?

Answer

The rules governing imports of raisins into the Community provide for:

- a zero customs duty for Turkey and a customs duty of 3.5 % for other third countries,
- a minimum import price accompanied by a system of import certificates issued on the basis of the safety measures adopted by the Commission since October 1982.

In 1982 Greek production of raisins rose to 143 000 tonnes, while for 1983 it is estimated at 185 000 tonnes. In 1982 Community imports from all third countries amounted to 149 000 tonnes and exports to 25 400 tonnes.

The Commission proposal for the introduction of a guarantee threshold of 80 000 tonnes for sultanas must be seen within the context of the Commission's report to the Council on products processed from fruit and vegetables and the corresponding proposals for regulations.

These documents have been forwarded to the Parliament for its opinion.

It would seem wisest therefore at this stage to refrain from discussing this specific question and to deal with it when the Commission is stating its general position during the debates that Parliament will be holding on this subject.

* * *

Question No 65, by Mr Welsh (H-520/83)

Subject: Greek pharmaceutical imports

Further to my Written Question No 932/83 would the Commission confirm that it accepts that there is *prima facie* evidence of the practices complained of and state precisely what action has been taken under Article 169 of the EEC Treaty to bring them to an end?

Answer

1. Where the Commission takes action against a Member State under Article 169 of the EEC Treaty for failure to fulfil an obligation under the Treaty, this *invariably* means that it considers the national measures in question to be incompatible with Community law.
2. As the Commission has already stated in its answer to Written Question No 932/83 by the honourable Member, all the practices referred to in the question are the subject of action against Greece and are considered by the Commission to be incompatible with the provisions of Community law regarding the free movement of goods, and in particular with Article 30 of the EEC Treaty.
3. Through its Communication of 3 August 1983 the Commission gave Greece an opportunity to submit its observations within the meaning of Article 169 of the EEC Treaty. Since the Greek authorities subsequently made no statement concerning the substance of the complaints, the Commission decided on 16 November 1983 to deliver a reasoned opinion.

In the meantime, however, the Greek authorities have requested an opportunity to discuss the matter in order to find a Community solution. Talks with the relevant services of the Commission on this question are being held this week. The Commission will subsequently decide what further steps are necessary to ensure that Community law prevails.

* * *

Question No 66, by Mr Moorhouse (H-521/83)

Subject: Electrically propelled heavy vehicles

What steps is the Commission taking to establish the potential market for electrically wire-driven, pollution free, heavy vehicles and buses in urban areas, including the setting of electricity tariffs to encourage investment in these vehicles and the appropriate electricity distribution?

Answer

1. The Commission has developed several activities in the field of electric vehicles. Its purpose in doing so has been threefold:
 - to promote the diversification of energy sources
 - to improve the urban environment
 - to ensure that the Community's industry remains in the forefront of technological developments, particularly in the field of research into transport.

The activities undertaken are :

- a study on the taxation of electric vehicles and a study on adapting the licensing regulations for motor vehicles to electric vehicles,
- the financing of four experimental projects under the heading of energy saving programmes.
- the financing of research into batteries under the heading of energy conservation programmes.

2. However, of most relevance to the honourable Member's question are the two measures backed by the Commission within the framework of COST, namely COST 302 and 303.

COST 302 aims to provide governments taking part with all the information necessary for taking decisions on the utilization of electric vehicles. In 1985 it will provide, as part of its results, analyses of the problems concerning tariffs and a study on the potential market for electric vehicles, with the exception of heavy goods vehicles.

3. COST 303 deals with a more specific type of vehicle, the bimodal trolleybus.

The aim of measure 303, which covers 8 European countries including 6 member countries of the Community, is to provide a comparative evaluation of bimodal trolleybus systems existing in Europe. Based on a commonly adopted method of evaluation and an array of unique measures, this evaluation should provide a technically objective analysis. Its results, due to appear at the end of 1985, should provide the authorities concerned with technical and economic criteria on which to base their decisions on the utilization of these vehicles.

* * *

Question No 68, by Mrs Le Roux (H-523/83)

Subject : Industrial fishing of immature fish

Does the Commission not think that the difficulties which arose during the negotiations on the TAC for herrings were attributable to the growing scarcity of herrings, mainly owing to the ravages caused by the practice of catching immature fish in industrial quantities and that efforts should consequently be made to find solutions aimed at phasing out that practice ?

Answer

1. The Commission recognizes that one of the causes of the reduction of herring stocks in the North Sea is the existence of fisheries based on species intended for processing into flour. It appears that in the last few years these fisheries have been involved in large by-catches of immature herring.¹ However, the harmful effects of such fisheries on herring stocks are limited thanks to the application of regulations on technical measures banning the taking of immature fish,² and regulations restricting by-catches, setting limits to the exploitation of sprat (young herrings are often found with this species) and restricting herring catches in the Skagerrak (to which drift young and new-born herring from the North Sea). These measures are contained in the TAC regulation and quotas,³ reproduced by the 'Roll-over' regulation.⁴ Additional measures have been proposed by the Commission in its TAC proposals and 1983 quota.⁵ The Council has still not adopted them. All these measures help sharply to reduce the activities of these fisheries where they threaten herring stock levels.

¹ Report of the ICES ACFM Copenhagen 10-19 May 1983, pp 25-30.

² Article 11 of Regulation (EEC) No 171/83 of the Council of 25. 1. 1983, OJ No L 25 of 27. 1. 1983, as amended by Regulation (EEC) No 2931/83 of the Council of 4 October 1983, OJ No L 288 of 21. 10. 1983, p 1.

³ Regulation (EEC) No 172/83 of 25. 1. 1983, OJ No 25 of 27. 1. 1983, Articles 8, 9 and 10 respectively.

⁴ Regulation (EEC) No 198/83 of 25 January 1983, OJ No L 25 of 27. 1. 1983, p 32.

⁵ COM 83/213 final of 11. 5. 1983.

Question No 69, by Mr Lezzi (H-524/83)

Subject: Regional policy (Lomé Convention) and events in Grenada

In the context of the Lomé convention (I and II) the Community undertook to combat underdevelopment in the Caribbean countries. Regional policy under the Lomé Convention is fundamental to Community action against underdevelopment and to strengthen peace in the Caribbean region.

Does the Commission think that the events in Grenada will leave their mark on the area's regional policy?

Answer

The Commission fully agrees with the honourable Member on the importance of regional cooperation for the Caribbean in view of the economic handicaps peculiar to the region, such as insularity, the small size of the states, a high degree of single-crop farming and a heavy balance of trade deficit for want of energy and mineral resources in general. Consequently, in application of Lomé Conventions I and II, the Community has assisted the Caribbean with regional projects of national importance to a relatively larger extent than in the African or Pacific regions. Such assistance goes in particular to the sectors of transport, tourism and agriculture, coordinated by regional organizations such as Caricom, the Caribbean Development Bank, the Caribbean Tourism Association and the Caribbean Food Corporation.

The Commission hopes that in spite of the differences recently manifested between the Member States of Caricom over the military intervention in Grenada, the common endeavours of those states towards further regional development will not be slowed. According to a time-table worked out before the intervention, the Commission's departments will be holding on 5 December in the Caribbean a coordinating session with all the regional organizations to take stock of the current state of cooperation; this meeting is preparatory to the next session of Caricom's Council of Ministers scheduled for January 1984.

Since the Commission itself has the task of directing the actions of a community, it supports the efforts of Caricom which, under the Treaty of Chaguaramas, set up a form of regional cooperation; though often uneasy, it has nevertheless continued throughout its ten-year existence. Cooperation has expanded thanks to the Convention of Lomé and to neighbours of Caricom who are not members of Lomé, such as the Bahamas, Surinam and the Dutch West Indies.

* * *

Question No 71, by Mr Petersen (H-527/83)

Subject: Incidence of cancer among children in the vicinity of the nuclear reprocessing plant in Windscale

Since it has been found that the incidence of cancer among children living in the vicinity of the nuclear reprocessing plant in Windscale in the North of England is 5 to 10 times higher than normal, what thoughts has the Commission on this matter with respect to the Community's nuclear programme?

Answer

The Commission is aware of the reports in the media which are based in particular on a recent TV documentary which claimed that the incidence of cancer, particularly among children living in the vicinity of the British Nuclear Fuels Sellafield (i.e. Windscale) reprocessing plant is much higher than the national average. It is also claimed that this increase is related to radioactive waste leaks from this plant.

A report was already drawn up earlier on clusters of cancer cases or an above average incidence of cancer in communities far removed from nuclear plants so that radiation can clearly not be regarded as the only possible explanation.

The annual report forwarded to the Commission by the responsible United Kingdom authorities on radioactive waste leaks from the Sellafield plant and the results of environmental monitoring show that the highest radiation dose for individual members of the public is less than one-fifth of the maximum threshold amount laid down in the basic radiation safety standards.¹ It is therefore improbable that the higher than average incidence of cancer claimed by the media can be attributed to radiation.

After these claims had been published the British Ministry of Health and Social Security commissioned an independent investigation into the incidence of cancer in the Sellafield area. The report is not yet available. Should it reach different conclusions, we hope that it will also provide an answer to the question as to what extent the specific characteristics of ionizing radiation can be regarded as damaging.

The Commission will study this report closely and shall carefully assess its nuclear energy programme should this appear necessary from the results of this investigation. At the present time, however, it sees no need for reflection in this connection until such time as investigations have proved that the effects of nuclear energy on health should be less than those of any other energy source, such as coal or oil.

Question No 72, by Ms Clwyd (H-529/83)

Subject: Dissatisfaction among officials with their employers

Would the Commission comment on a report that increasing dissatisfaction among officials with their employers, the respective European Community Institutions, is proving a costly and time-consuming business? The European Court of Justice is currently being asked to sieve through 1 283 staff cases to determine the validity of the particular grievance. These cases are estimated to cost the taxpayer some £ 1.3 m by the time they reach judgment.

Would the Commission agree that poor staff/management relations in the Institutions, and the waste of taxpayers' money, should not arise in well-managed institutions?

Answer

The Commission is not aware of the report to which the Member refers and is therefore unable to comment. It would however like to point out that the number of staff cases currently pending before the Court is not 1 283 but 793. However, most of these were introduced in 1979 and are expected to be withdrawn by the staff concerned since the Court has recently given rulings on a few test cases. In this context the Commission would like to draw the Member's attention to the written question No 1374/83 by Mr Tyrrell, in its answer to which the Commission intends to give detailed information on the number of staff cases. As for the cost for the taxpayer, the Commission would be interested to know how the figure of £ 1.3 million has been calculated.

* * *

Question No 74 by Mrs Van Hemeldonck (H-532/83)

Subject: Application of the Council Directive of 20 March 1978 on toxic and dangerous waste

The Council Directive 78/319/EEC of 20 March 1978 on toxic and dangerous waste¹ seeks to regulate the production, carriage and storage of certain materials within the Community. Under Article 16 (2) of this Directive, the Commission is obliged to report every three years to the Council and the European Parliament on the application of this

¹ Council Directive of 15 July 1980 amending the regulation laying down basic safety standards for the health protection of the general public and workers against the dangers of ionizing radiation (OJ L 246, 17. 1. 1980)

² OJ L 84 of 31 March 1978, p 43.

Directive. Belgium, France and Greece have still not laid down national implementing regulations. What approaches has the Commission made to these countries to ensure that, pursuant to Article 16 (1) of the Directive, they draw up a situation report every three years, and for the first time three years following the notification of this Directive, on the disposal of toxic and dangerous waste in their respective countries, and with what results? Why have these countries not yet laid down national implementing regulations? What is the Commission now going to do to rectify this, and when?

Answer

The Commission has already had occasion to refer to this matter before the Investigation Committee on the Seveso accident. It has not yet been able to present the report for the Council and the European Parliament provided for in Article 16 (2) of Directive 78/319/EEC on the application of this directive, as the majority of the Member States have until now not submitted their national reports on the disposal of toxic waste, provided for in Article 16 (1). Only the United Kingdom and the Federal Republic of Germany presented reports by the deadline (end of 1981).

In September and October 1983 (!) — two years late — Luxembourg and Denmark submitted the national reports provided for in Article 16 (1) of Directive 78/319/EEC.

The other six Member States have so far failed to forward any report to the Commission under Article 16 (1) of the Directive.

Six months before the deadline for incorporating the Directive (22 March 1980) the Council reminded the Member States of their obligations under Directive 78/319/EEC. By letters of 14 May 1981 and 8 September 1981 it also drew attention to the obligation under Article 16 (1) to draw up a national report and requested them to forward the report in question by the end of 1981 at the latest.

It also forwarded to the Member States, together with its letter of 8 September 1981, guidelines for drawing up the reports in a uniform manner. Finally, at the meeting of the Waste Management Committee, which is composed principally of senior officials in the area of waste management in the Member States, the Commission repeatedly drew attention to the obligation to draw up the report under Article 16(1) of Directive 78/319/EEC.

The Commission has noted that serious obstacles have hindered the incorporation and implementation of Community law in certain Member States. For this reason it has as yet not introduced proceedings for breach of the Treaty against the Member States in question.

As the assurances of these Member States to the European Parliament's Committee of Inquiry on poisonous and dangerous waste show, the investigations necessary for drawing up the national reports are under way.

The Commission hopes to have the outstanding national documents in the coming months.

Should it, by May 1984, not be in possession of all the national reports it will then take the appropriate legal steps against the defaulting Member States. Because of its particular situation the deadline for Greenland was extended until December 1984.

Question No 75, by Mr Donnez (H-533/83)

Subject: Freedom of establishment of the press in France

According to the French Prime Minister, the French Government intends to table a bill on ownership of the press and distribution of publications, which would prohibit, in particular, ownership of more than two national or regional newspapers. Does the Commission, as the guardian of the Treaties, take the view that these measures, if enacted, would be compatible with Community law?

Answer

1. The Commission is acquainted with the draft of a new press law which was approved by the Council of Ministers of the French Republic on 23 November 1983 and which has now been tabled in the French National Assembly.

This bill aims at countering the tendency towards concentration in the French press and guaranteeing transparency and freedom of opinion. Legal dispositions of a similar kind already exist in some other Member States.

2. The Commission is at present examining the French Government's press bill with a view to its compatibility with Community law.

* * *

Question No 78, by Mr Sassano (H-538/83)

Subject: EEC directive on cosmetics

The Commission of the European Communities has further updated the list of harmful or suspect products, thereby improving the 1976 directive on cosmetics in the interests of the health of all Community citizens.

How does the Commission propose to ensure that the Member States, who in the last seven years have done nothing to comply with this directive, take the appropriate action as quickly as possible as regards its implementation?

Answer

1. Directive 76/768/EEC, on the harmonization of Member States' legislation on cosmetic products, has been converted into national law by all Member States except Italy. Proceedings instituted by the Commission against Italy for violation of the Treaty ended in a condemnation pronounced by the European Court of Justice on 2 March 1982.

The Commission has, however, found that Italy has failed to carry out its obligations arising from this judgement too. Consequently, it intends to institute further proceedings under Article 169 of the EEC Treaty.

2. Directives 80/1335/EEC and 82/147/EEC, on the harmonization of legislation on methods of analysis, have been converted only partially into national law by a number of Member States. Consequently, the Commission instituted in October proceedings against the states concerned for failure to comply with the Treaty.¹

3. The same applies to Directives 82/368/EEC and 82/434/EEC concerning the emendation of the 1976 directive and methods of analysis. The Commission will institute proceedings under Article 169 of the EEC Treaty against those Member States that have not fulfilled their obligations arising from these directives by 31 December 1983.²

¹ In connection with 80/1335/EEC, against Belgium, Italy and Greece; in connection with 82/147/EEC, against Belgium, Denmark, Greece, Italy and Luxembourg.

² In connection with 82/368/EEC, all countries except Germany; in connection with 82/434/EEC, against Belgium, France, Greece, Italy, Luxembourg and the Netherlands. Member States therefore have time until 31 December 1983 to fulfil their obligations.

4. With regard to the latest directives, 83/191/EEC and 83/341/EEC, which also concern amendments to the 1976 directive, Member States have until 31 December 1984 to adapt their legislation to these directives.

* * *

Question No 79, by Mr Harris (H-544/83)

Subject: Sonic booms from supersonic aircraft

Is any research being undertaken on a Community basis into sonic booms from supersonic aircraft, particularly Concorde, and, if not, is the Commission in contact with any research institutes, national authorities or airlines on this problem, which is especially acute in the South West of England?

Answer

The Commission is aware that sonic booms from supersonic aircraft can cause a considerable increase in the effects of noise on the population in certain regions of the Community. This noise nuisance is primarily caused by military aircraft.

The Commission's powers in the field of noise abatement relate exclusively to civil aircraft. Only one type of civil aircraft is capable of flying at supersonic speeds and it almost always flies only at subsonic speeds over land. The Commission therefore has no grounds for taking action in respect of civil aircraft noise.

Through its cooperation with the International Standards Organization (ISO) and the International Civil Aviation Organization (ICAO) the Commission is kept informed of technical developments in noise research.

As regards basic research into the generation and propagation of sonic booms, the Commission is kept informed of the latest developments but does not carry out any research projects of its own.

* * *

Question No 81, by Mrs Boserup (H-547/83)

Subject: Prolongation of trade sanctions against the Soviet Union

What, in the Commission's opinion, is the difference in principle between the previous Danish Government's application of Article 224 in connection with Community trade sanctions against Argentina in the spring of 1982 and the present Danish Government's application of it in connection with the prolongation of trade sanctions against the Soviet Union, and can such a difference justify the fact that the Commission has instituted infringement proceedings against the present government pursuant to Article 169 and not against the previous government?

Answer

The fundamental difference between Community sanctions against Argentina and Community measures *vis-à-vis* the USSR is that although both measures were based on Article 113 of the EEC Treaty, sanctions against Argentina were taken also within the framework of Article 224.

In the first case one of the conditions of Article 224 was fulfilled (war or serious international tension constituting a threat of war). Member States consulted each other and decided to take steps together (as Article 224 puts it) and to do so under Article 113. However, under Article 224 Denmark was still free to take its own action, which it did and which was all the less objectionable because this action was identical to Community action (Danish Law No 215 of 25 May 1982).

In the second case (measures against the USSR) none of the conditions of Article 224 were fulfilled (no serious internal disturbances, no war or threat of war, no international obligations) and accordingly the Council based its measures on Article 113 alone. Denmark dissociated itself from these measures of commercial policy by a Ministerial Decree from the Minister of Industry of 3 March. Although the Danish Government tried to limit the consequences of this step by the Regulation on prohibition of re-export of certain goods originating in the USSR of 25 March 1983, Denmark is still in infringement of its obligations under the EEC Treaty. For this reason the Commission has begun the procedure of Article 169 of the EEC Treaty against Denmark.

* * *

Question No 82, by Mr Alavanos (H-552/83)

Subject: Aids for olive oil

Can the Commission state why it is proposing measures to reduce the regular aid to olive oil, which will create major problems for olive oil producers; why it is not directing its energies above all to limiting imports of fats and oils; and what specific measures are being taken to deal with the problems that will be created by the accession of Spain?

Answer

On 15 November 1983¹ the Council adopted the Regulation fixing for the 1983/84 marketing year the representative market price and the threshold price for olive oil. The representative market price sets the level of consumer aid for the market year concerned.

The Commission proposal (Doc. COM(83) 599 final) was drawn up in the light of the criteria set out in Article 7 of Basic Regulation No 136/66/EEC.

The Commission does not believe that this decision will have any effect on olive growers' incomes. As regards the Community's enlargement to include Spain and Portugal, following the recent Council decision of 18 October 1983 on the oils and fats sector, the Commission is considering the problems concerned, the solution of which must in any case take account of the results of negotiations with the applicant countries. In its decision of 18 October the Council pointed out that it shared the Commission's view that the seriousness of the problems posed by enlargement argued for a long transitional period in this sector.

* * *

Question No 83, by Mr Ephremidis (H-554/83)

Subject: Freezing of Community financing for Grenada

According to a statement by a Commission representative, the EEC has decided to freeze Community financing for Grenada.

Since this action by the Commission also has political implications, particularly following USA military intervention in the island, why has the Commission decided to block Community financing for Grenada and what measures does it intend to take to discontinue the above action?

Answer

1. Having been informed of the situation in Grenada, the Commission decided on 25 October 1983 to impose an immediate freeze on cooperation until such time as the internal situation in the country became more clear.

¹ Regulation (EEC) No 3243/83 — OJ No L 321 of 18. 11. 1983, p 3.

2. On 18 November 1983, the Commission was informed by the Governor General of Grenada that an Advisory Council had been appointed to administer the country's affairs, pending the holding of parliamentary elections. On 18 November the Commission decided to pursue forthwith its cooperation with Grenada in the framework of the Lomé Convention.

* * *

Question No 85, by Mr Van Miert (H-558/83)

Subject: Problems facing the daily press

Why has the Commission fixed the duty-free quotas for newsprint at a level that does not satisfy the needs of the daily press with the result that customs duties have to be paid on the remainder imported, thus compounding the difficulties already existing in this sector, and what steps does it intend to take to achieve a rapid and lasting solution to these problems?

Answer

The part played by the Commission in decisions on raising the duty-free quotas here referred to must first of all be explained.

In view of the dual nature of the measures concerned, which in part arise from Treaty obligations and in part are a matter of industrial policy, decisions are made by the Council under Articles 113 and 28 of the Treaty. The Commission has a right to submit proposals under Article 113 but not under Article 28.

The quota, established every year by the Community, for duty-free imports of newspaper comprises an amount of 1.5 million tonnes arising from an obligation the Community still has under GATT and an additional amount, which the Council has fixed at 1 million tonnes for 1983. This latter, 'autonomous' part of the quota goes back to Protocol No 13 of the Act of Accession of 1972 and enables duty-free imports to be permitted insofar as it has been established that the Community output of newspaper can be disposed of.

The Commission has spared no effort by way of mediation to promote the sale of one Member State's newspaper output (i.e., Italy) and so satisfy the condition governing an increase in the quota so far of 2.5 million tonnes. Finally, it has proposed an increase of another 180 000 tonnes for the rest of the year 1983, which, in its view, taking account of the Community output that has not yet been sold, will enable the Community's total newspaper requirements to be covered. The Commission hopes that the Council will shortly be able to agree to this proposal.

* * *

Question No 86, by Mr O'Mahony (H-560/83)

Subject: Community Combat Poverty Programme

What progress has been made to date in preparing the next stage of the Community's Combat Poverty Programme, and how soon will it commence?

Answer

As Mr Ivor Richard indicated in the debate on the Boyes' report on 5. 7. 1983, the Commission has undertaken a series of consultations and discussions with a wide range of persons and organizations concerned with the poverty situation in Europe with a view to identifying the priority themes for action in a second Community poverty programme.

The first stage of these consultations will end in early 1984, and subsequently the Commission intends to submit proposals for a Council Decision concerning the second Community poverty programme.

* * *

Question No 87, by Mr Pattison (H-561/83)

Subject: Long-term effects of radiation from the Windscale Nuclear Processing Plant in England

Is the Commission aware of the recent reports concerning the long-term effects of radiation from the Windscale nuclear processing plant on the population of the East Coast of Ireland, and will it state what research has already been done, or is under consideration, dealing with this problem, and will it ensure that all Community protective legislation is implemented in full, and what sanctions exist against those who do not implement such legislation?

Answer

The Commission has no information concerning scientific evidence of the long-term effects of radiation on the population of the East Coast of Ireland as a result of the activity of the nuclear processing plant at Sellafield (formerly known as Windscale). On the contrary, results of research work by Trinity College Dublin, recently published in the Irish press, have shown that the maximum radiation dose for individuals is less than one-fiftieth of the values laid down in the radiation protection standards;¹ the average radiation dose is equivalent to less than 1/1000 of this limit value.

This ongoing research work forms part of the Commission's research programme on radiation protection, which includes research into the ecology of the Irish Sea and the effects of small radiation doses.

National legislation on radiation protection falls under the directive on basic safety standards for health protection laid down in 1959, and most recently amended in 1980.

The Commission is closely monitoring compliance with these basic standards by the Member States. In addition the data collected and compiled by the Commission on trends in measurements of environmental radioactivity in the Member States of the Community, under Article 36 of the Euratom Treaty, and the report drawn up by the Commission on radioactive waste from nuclear power stations and reprocessing plants indicate that the limit values set out in the Euratom directive on radiation protection are being respected.

In view of this situation, the Commission sees no reason for it to intervene in connection with radioactive waste from Sellafield.

In the event of violations of the basic health protection standards, the Commission is empowered under Article 38 of the Euratom Treaty, in emergency cases, to adopt a directive calling on a Member State to take all the necessary steps to ensure compliance with the provisions within a specific period of time; should these measures not be implemented within the time limit, the Commission may take the matter before the Court of Justice. Furthermore, under Article 141 of the Euratom Treaty, the Commission can in principle bring the Member State concerned before the European Court of Justice if it fails to comply with an obligation under that Treaty.

The Commission is determined, where necessary, to make full use of its powers under the Euratom Treaty. However, as regards the measures taken by the Member States in the field of radiation protection, the Commission has so far not been obliged to implement the provisions of Articles 38 and 141 of the Euratom Treaty.

¹ Council Directive of 15 July 1980 amending the Directives laying down the basic safety standards for the health protection of the general public and workers against the dangers of ionizing radiation (OJ No L 246 of 17. 9. 1980).

SITTING OF THURSDAY, 15 DECEMBER 1983

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IN THE CHAIR : MR DANKERT

President

(The sitting was opened at 10 a.m.)

1. *Approval of minutes*

President. — The minutes of proceedings of yesterday's sitting have been distributed. Are there any comments?

Mrs Kellett-Bowman (ED). — Mr President, on page 6 of the minutes of yesterday's sitting, item 10 says that Mrs Ewing and Mrs Kellett-Bowman spoke on this proposal. It would be much more accurate to say that Mrs Ewing and Mrs Kellett-Bowman expressed anxiety about this proposal. When it came to the point, we were fully justified, because a lot of people who are interested in this subject had absolutely no idea that these items were going to come on immediately. Many people who are interested in regional affairs simply were not present in the Chamber and it made for a very fragmented debate.

Can the Bureau refrain from bringing these things forward with the result that people have no time to collect their thoughts or their notes or prepare a speech?

President. — Mrs Kellett-Bowman, your anxiety will be recorded in the Minutes.

Mrs Ewing (DEP). — Mr President, I refer to page 7 of the Minutes, at the very top of the page in the English version, where it mentions my motion on behalf of my group seeking to include my resolution in third place, etc. I would ask that the title of the motion be included, because otherwise the Minutes are really not very meaningful to anyone reading them.

President. — I accept that, Mrs Ewing.
(Parliament approved the Minutes)

Mrs Maij-Weggen (PPE). — *(NL)* Mr President, on the Friday morning of the November part-session a camera weighing 30 kilos fell down. It had been placed right at the edge. Could you please ask the cameramen to position their cameras so that this does not happen again, because there really could be an accident.

President. — I shall ask the cameras not to fall down.

(Laughter)

Mr Nikolaou (S). — *(GR)* Mr President, I should like to inform you that an objectionable film is at present being shown outside this room which is insulting towards the Greek Presidency and the political party to which I belong. We have no objection to films with which we disagree being shown somewhere, but they should not be shown outside this room, which is a thoroughfare for all and sundry, including visitors, etc. I ask that any further showing of this offensive film be banned.

(Applause from the left)

Mr Plaskovitis (S). — *(GR)* Mr President, we have no objection to people taking film and then showing it in cinemas, no matter who pays them. They are free to do so, according to their own conscience. However, in the European Parliament, where meetings are held which the public can watch, insulting propaganda against a party and a government should not be allowed. Think of the reaction were a similar attack to be launched upon the French or German governments for the way in which they had conducted their presidency. I believe that it is your duty and obligation to forbid further showings of this type of propaganda in that particular place.

Lady Elles (ED). — Mr President, I would just like to make the point that the decision to change the agenda by advancing the reports was for the benefit of this House. All the Secretariats-General attended the enlarged Bureau meeting where the decision was taken. I would request that, when changes are made in the agenda, the secretariats of the political groups ensure that their speakers are on the floor of the House when they are needed. When I was chairing the sitting, there was not one Member of any group present, except my own group, and I had to ask the Commissioner to speak first. It is up to the secretariats of the political groups to see that their speakers are there when the agenda is changed.

President. — That is a fair point.

I want to go back to what Mr Nikolaou and Mr Plaskovitis said. I cannot judge the matter at the moment and so I shall see to it that there is a check on whether what is being shown is compatible with the regulations we have drawn up together.

2. Agenda

President. — Since the votes on the motions for resolutions on which the debate had closed had to be interrupted last night, I would propose to the House that these votes be taken at six o'clock this evening so

that tomorrow morning's sitting is not devoted almost solely to voting. If the House agrees, we could vote at six o'clock tonight, immediately after the topical and urgent debate, on the motions contained in the reports by Mr Baudis, Mr Hoffmann, Mr Buttafuoco, Mr Kaloyannis, Mr Battersby, Mrs Martin, Mr Collesselli, Mrs Péry, Mr d'Ormesson, Mr Kyrkos and Mr Gendebien.

Since there are no objections, that is agreed.¹

3. Votes²

PROPOSAL BY THE ENLARGED BUREAU (ADDITIONAL PART-SESSION 26-30 MARCH 1984)
After the adoption of the proposal

Mr Cottrell (ED). — Mr President, I do not want to weary the House too long with a discussion on this point, and I shall merely say I think it is right that you reaffirm the statement you made to me in this House on Monday evening that it is perfectly proper, irrespective of any resolution on any subject by Mr Zagari, to give this House the opportunity of deciding where such a part-session should be held. Both you and I know that there has been some discussion with your services and with your cabinet as to how resolutions of this kind should be put. Clearly, it is extremely complicated, but you will recall that when Mr Enright put a similar proposition, there was no reference by you or the Bureau or anyone else to Mr Zagari's views on this subject. I merely think it is right for the House to decide where that part-session should be held, and it was my understanding, after your statement on Monday evening, that you would give the House the opportunity to do that.

President. — Mr Cottrell, there are several possibilities open to you. You have chosen Rule 47 because you are on your own, and there is no alternative. As soon as you have more Members, there is the possibility of urgent procedure, and there are still further possibilities under the Rules.

Mr Nikolaou (S). — *(GR)* Mr President, I only wanted to mention one thing. We were obliged to arrange for the extraordinary part-session on unemployment to be held in Brussels, since the chamber in Strasbourg was not available. It is now free, however.

President. — There is no point in reopening the debate. The situation is clear.

Mr Enright (S). — I am sorry, Mr President, but if decisions are taken by this Parliament and voted upon it is not at all what Mr Nikolaou said. It is a decision of this body as a sovereign ...

¹ Documents received — Withdrawal of a motion for a resolution: see Minutes.

² See Annex.

President. — Mr Enright, that is why I said that I did not want to reopen the debate. Mr Nikolaou is right.

NORD REPORT (DOC. 1-1140/83 'VOTE ON AMENDMENTS')

Proposal for a decision

Article 54. — Amendments Nos 4 and 11

Mr Nord (L), rapporteur. — (FR) There is a mistake in your documents, Mr President, and I think I ought to point it out now because otherwise the mistake will be perpetuated. Amendment No 11 is not an amendment. It is the proposal contained in the committee report and everyone is going to get confused if you present the proposals by the Committee on the Rules of Procedure and Petitions as amendments by the committee to its own report. There is a mistake. The documents headed Amendments Nos 11 to 16 must go because they are not amendments; they are the actual proposals from the report which appear in the righthand column of the text.

As for Amendment No 4, by Mrs Vayssade and Mr Seeler, I am in favour of it. However, so that the House can vote in a normal manner, I must urge you not to put forward the committee's proposals as if they were amendments by the committee to its own report. It is absurd. This has to be a mistake and you really must get rid of what you have down as Amendments No 11 to 16, because otherwise no one here is going to know what we are voting on.

President. — I am sorry, Mr Nord, but the situation is quite clear. There is a rule and we want to change the rule. To my mind, a proposal seeking to change a rule of procedure is an amendment. It is just that these amendments come from the Committee on the Rules of Procedure and Petitions.

Mr Nord (L), rapporteur. — (FR) Of course we have the Rules of Procedure and the committee's proposals seek to change them. A report has been drawn up with two columns: the text of the Rules of Procedure and the proposed changes. The amendments tabled by Members refer to the proposed changes, and these proposals should not be regarded as amendments to our own report. This could create confusion and everything would be much clearer if we voted on the real amendments alone.

Mr D'Angelosante (COM). — (IT) Mr President, I agree with Mr Nord because an amendment is by definition a text which is tabled on a text to be voted on. The latter, whatever it is about, is never an amendment but the text as such, even if it is a text which changes another text. Technically speaking, we can say that an amendment is a proposal to change a text, and it is not a text which happens to seek to change another text.

Mr Forth (ED). — If I could make a suggestion to try to help, Mr President. Could you not ask the authors of the amendments whether they would be prepared to withdraw them? I really do not think Mr Nord can demand that they be taken out, but if you asked if the authors would withdraw them in order to make the voting simpler, that might help us out of our problem.

President. — That is right. We are amending an existing text, that is, the *reglement en vigueur*, so we have to treat them as amendments. There is no other way. The problem is that there are amendments to the amendments! So we shall have to go ahead as we did, there is no other way.

After Article 54 — Amendments Nos 9, 17/rev., 12 and 18/rev.

Mrs Vayssade (S). — (FR) Mr President, I think it would be a good idea to save the House time if we voted first on the compromise amendment as this would automatically cause the others to fall.

President. — That can be done only if the House agrees, Mrs Vayssade. I prefer to keep to the order, which means beginning with the amendments which are farthest from the original text. First comes the amendment by Mrs Castle and then the amendment by Mr Patterson. Do you agree, Mr Patterson?

Mr Patterson (ED). — Mr President, seeing that you are conducting the voting in this way, I — like Mrs Vayssade — think you ought to put the compromise first. Therefore, I withdraw my Amendment No 17 in order to get to the compromise more quickly.

1984 BUDGET

President. — I have received in accordance with the provisions three proposals for rejection of the general budget of the Communities for 1984. The first is by Mrs Castle and others, the second by Mr Balfour and others on behalf of his group and the last by Mr Arndt on behalf of the Socialist Group. In the light of the justifications which come with these proposals for rejection there is no doubt that the two proposals by Mrs Castle and others and by Mr Arndt refer to the draft budget as forwarded to Parliament by the Council and they must therefore be voted on before we get round to voting on the amendments which have been tabled for the second reading. On the other hand, the justification contained in Mr Balfour's proposal for rejection indicates explicitly that the proposal is linked to the result of the voting on the amendments tabled here in Parliament.

There is no problem in accepting the fact that the vote on this proposal for rejection may be taken during the votes on the budget, while we are still

President

considering the draft budget. I do not want the vote to be taken at the end of the vote on all the amendments in the course of the procedure.

(A voice from the European Democratic Group: 'Why not?')

I shall explain why not. The Treaty says that there is a right to reject the draft budget as soon as the votes are finished. I do not know whether rejection is still possible, because then we have no longer a draft budget; we have a budget. In order to avoid legal niceties I prefer to have the vote in the course of the procedure.

I should therefore like to ask the authors of this proposal for rejection to let me know when during the vote on the amendments they want me to put their proposal to the vote.

However, if we agree that the proposals for rejection should be put to the vote during the voting on the amendments, I think it would be fair if we extended the deadline for the tabling of proposals for rejection.

Mr Balfour (ED). — Mr President, I just wish to thank you for that ruling. I think it is a very sensible suggestion. I think the House is entitled to know that my group will abstain on the first proposal to reject the budget, because unlike the British Labour Group we are not defeatists. We think there is a chance that Parliament will see sense.

Mr Saby (S). — *(FR)* Mr President, the French Socialists are aware of the seriousness of the situation in the Community after the failure of the Athens Summit and therefore feel that it is essential for the European Parliament to assume its responsibilities and do everything in its power to adopt the 1984 budget, just as the Committee on Budgets has endeavoured to do.

There is no way that the French Socialists will vote in favour of the proposal for total rejection of the 1984 budget. The fact is that as things stand at the moment, given that there is no agreement among the Ten to increase resources, which is contrary to what we French Socialists would like, it is vital to adopt the budget and especially the agriculture budget, although we have to bear in mind the lack of resources and the danger that the rules of the Treaty might not be complied with during 1984.

In the view of the French Socialists the Council of Ministers must not delay in providing answers to the questions which were left pending at Athens and a draft amending budget should be drawn up before June. Quite frankly, this is no time to make matters worse when the Community is in a bad way.

(Applause from various quarters)

Mr Arndt (S). — *(DE)* Mr President, I was unaware that a debate was supposed to be scheduled on this proposal for rejection.

President. — There is no debate, Mr Arndt, but we have a proposal for a decision. I cannot stop Members from giving an explanation of vote if they wish.

Mr Arndt (S). — *(DE)* In that case I should like to give an explanation of vote as well. The Members of the Socialist Group have considered this matter in some detail. There are two essential reasons why we have proposed that Parliament reject the Council's present proposal.

The first decisive reason is that both the Commission and the Council have stated that the proposed budget does not reflect the real situation and that amending budgets will be needed right away. In its motion for a resolution the Committee on Budgets has also made it clear that the budget will have to be amended very quickly. What this means is that we are considering a budget which does not reflect the real situation and it would be much more sensible to reject it out of hand and then get a real budget. There is no point in approving a budget which is not real, only to change it afterwards.

(Applause)

The second reason for our rejection is that at the first reading Parliament adopted a clear position on four important points. At the conciliation stage all four points were rejected. During the budget debate we urged the Council with more and more insistence to make some concession on these points, but the Council refused to do so. We therefore feel that total rejection of the budget would bring the crisis to a head more quickly.

Mr Bangemann (L). — *(DE)* Mr President, on behalf of the Liberal and Democratic Group let me say that we are against this proposal for rejection for one very simple reason. I think we all agree that the failure of the Athens Summit has provoked a serious crisis within the Community. If we have said in the debate that we are not going to let the poor go under and that perhaps only Parliament is left to find a way out of the crisis, we have to follow up these words of determination with some action. It is not enough to say we want to help solve the crisis; we also have to do something about it. If we reject the budget now, we shall only make the crisis worse and we shall not be doing anything to find a way out of it, especially as far as public opinion is concerned. It is all very well to say that we do not want anything at all at the moment — that is just cutting off our nose to spite our face — but that is hardly a responsible attitude to take. What is required of us now is a decision without any emotional overtones, so that we are not afflicted by the same paralysis that evidently affected the supposed politicians in Athens. If this is the time for Parliament to act, then it is time for it to act positively and not to follow those who have led the Community into this crisis.

Mrs Kellett-Bowman (ED). — I want to make a point of order on the basis of Rule 80, Mr President. Rule 80 says quite clearly that the explanation of vote may be made before the final vote, provided the request to do so has been submitted to the President before the beginning of the vote. Now, it is clear to all the Members of this Chamber that Mr Saby asked to give an explanation of vote, but that others put up their hands after he had started. Now they have not got their request for explanation of vote in time, and these are therefore out of order, Mr President.

President. — Mrs Kellett-Bowman, I do not suppose that all the Members realized at the moment that Mr Saby spoke that this could be a final vote, and because of the importance of the subject, I think I have to give the opportunity to explain a vote to cover the eventuality that it is a final one.

Mrs Castle (S). — Mr President, It is typical of Mrs Kellett-Bowman and the undemocratic attitude of the British Conservatives that they should try to suppress the right to reply to the cowardice of the European Democrats in the speech of Mr Balfour.

(Loud protests from the centre and from the right)

The Conservatives, Mr President, are always wobbling — always sitting on the fence, willing to wound and afraid to strike. The fact is that we have no budget. As Mr Arndt has said, this budget is a farce. It does nothing to solve the problems that have brought this Community to the edge of crisis; nothing for the unemployed; nothing to get rid of the agricultural surpluses. It is just perpetuating a myth that something is being done to create this Community, and that is why we reject the budget,

(Applause from the left)

Not only because they are going to put the United Kingdom rebate into Chapter 100, as they will, as Mr Balfour well knows, but that is not our only reason. Our reason is that we think this Parliament is participating in a con trick on the people of Europe by failing to produce a budget that does anything for the economic problems which are drowning us all. It should be sent away, we know another one will be along anyhow. Let us give the lead to the Commission and the Council and say we will not be a party to this farce. Let us scrap this budget and start again!

(Applause from the left)

Mr Barbi (PPE). — *(IT)* Mr President, the Group of the European People's Party has resisted the temptation to react to the failure of the Athens Summit by rejecting the budget. We feel that the European Parliament can still demonstrate to the general public in Europe, and especially to the Council of Ministers, what the right path is for the development of the Community. In our opinion, what the Committee on Budgets stated back in October can and should be

legally and politically reaffirmed here and now. The way we vote will depend on the result of the voting on the amendments which have been tabled by the Committee on Budgets.

(Applause from the centre)

Mr Møller (ED). — *(DA)* Mr President, I think this is turning into a madhouse instead of a Parliament. We have a job to do — that of adopting a budget. It is our annual task in accordance with the Treaty. We can choose instead to blow the whole thing sky-high and destroy the entire Community which has been constructed. If the prime ministers did not reach any conclusions last week in Athens, we shall do no better if we go and wreck all that has been built up with so much effort and care over 25 to 30 years. This is why Mr Kirk and I will vote against rejection of the budget.

Mr Didò (S). — *(IT)* Mr President, for the same reasons as were put forward by Mr Saby, the Italian Socialists and Social Democrats will vote for the amendments tabled by the Committee on Budgets. We are therefore against total rejection of the budget.

Mr de la Malène (DEP). — *(FR)* Mr President, our group will vote in favour of the budget which has been presented and in favour of the amendments tabled by the Committee on Budgets. We make no connection between this budget and the failure in Athens. This budget dates from last spring, and subsequently the autumn. There is no connection. This is a budget presented by the Commission and improved by the Council. It is our intention to vote for this budget and also for the amendments by the Committee on Budgets.

For some days this House has been saying that it wants to provide a good example for Europe. Well, Mr President, the way this budget debate has started with splits which seem fairly fundamental — judging from the spirited and contradictory speeches by Members of the Socialist Group — makes me wonder just what Parliament is going to be able to do in this crisis which we have to face now.

Mr Romualdi (NI). — *(IT)* Mr President, speaking on behalf of the Members of the Italian Right let me say that we are against Mrs Castle's proposal for rejection for all the reasons which have been outlined here, but in particular because we do not think we ought to add a budgetary crisis to the more general crisis which is besetting the Community as a result of the errors and shortsightedness of our Heads of State or Government.

Mr Alavanos (COM). — *(GR)* I speak on behalf of the KKE. We shall vote for Mrs Castle's motion, even though we see the issue from a completely different point of view. We have no reason to support the

Alavanos

so-called agricultural lobby, when to do so would in practice entail support for huge appropriations being granted to the big capitalist concerns. We believe that the budget problem needs to be dealt with differently. Special attention should be given to the smaller farms and should not be redistributed amongst the powerful nations. With this reservation, we shall vote for the Castle motion.

Mrs Scrivener (L), rapporteur. — (FR) Mr President, throughout the work of the Committee on Budgets there has never emerged any trend towards a rejection of the budget. Throughout our work we have stressed the need to be consistent with the position which we had adopted at the first reading. People now seem to be letting emotion get the better of them and I should like to remind them of the facts as they really are so that they are not forgotten when it comes to the vote. (Applause)

Mr von der Vring (S). — (DE) The procedure is somewhat complicated, Mr President, and I should like you to explain very clearly whether you intend to put the Castle and the Arndt proposals to the vote one after the other as alternative proposals, because the justifications are different, or whether the second proposal is going to fall if the first is adopted.

President. — As I have already said, Mr von der Vring, I am proposing that the House vote only once. If one proposal is adopted or rejected, then the other one is also adopted or rejected. The problem of the justification is a tricky one. The only thing that counts in accordance with the Treaty is that the justification must be important and substantial. If this is the case for both proposals — and in this connection there are no grounds for rejection — we shall vote only once. Mrs Castle's proposal for rejection was tabled first. The proposal by Mrs Castle will therefore be voted on.

Mr Fellermaier (S). — (DE) Mr President, in this instance Mr Arndt has tabled a proposal for rejection on behalf of the Socialist Group. It is parliamentary procedure to vote first on a motion tabled by an entire group and then should the occasion arise on the second motion, which may indeed have the same aim but which is justified on different political grounds from the motion which in this case carries the name of Mr Arndt and others.

President. — This is not the *Bundestag*, Mr Fellermaier. In this House the individual Members have the same procedural rights as the groups.

(Applause)

I put to the vote the proposal for rejection by Mrs Castle and others.

(Parliament rejected the proposal for rejection)

We shall now proceed to the second reading of the draft general budget of the Communities for 1984, as amended by the Council.

I would remind the House that in accordance with the Treaty amendments may be adopted only by a majority of current Members of the European Parliament and three fifths of the votes cast. In accordance with paragraph 2 of Rule 77(2), account shall be taken only of votes cast for and against in calculating the result of the vote.

Mr Lange (S), chairman of the Committee on Budgets. — (DE) I would ask for the House's attention for a moment, as I wish to make a proposal by the Committee on Budgets. With regard to Article 772 the committee proposes the entry of 600 million ECU as commitments or commitment appropriations. The aim is to create an integrated industrial area in the Community. The commitments to be written in are not commitments as defined by the budgetary regulations. They are commitments of a special type and in the opinion of the committee proposing them they can be implemented only after decisions have been taken regarding the increase of own resources. In this way it should be clear that these commitments are not to be included with the other commitments which are currently written into the budget.

Section III — Commission

Chapter 100 — After the adoption of Amendment No 330

Mr Balfour (ED). — Mr President, I thought we had agreed that at this stage our proposal for rejection would be put to the House. If you agree to put my group's proposal for rejection to the House now, we should like to break, if possible, for 15 minutes immediately after that vote.

President. — Does the House agree that after the vote on the rejection of the budget the sitting be suspended for 15 minutes?

Sir Henry Plumb (ED). — Mr President, what we are really voting on, and what you are going to put to the House presumably, is whether we vote on a rejection or not.

President. — No. We decided in discussing the procedure that rejection of the budget could be requested at any moment. That is what Mr Balfour did. So that will be put to the vote. My question is, do you want a suspension before or after that vote?

Mr Arndt (S). — (DE) I really would ask the Conservatives to ask for the vote on rejection after we have voted on Article 772, because the vote here is very important. If there are not 218 votes, I can imagine that they will have a more favourable motion.

President. — Mr Arndt, the group has asked for a vote now. The procedure allows it.

Mr Balfour (ED). — Mr President, I would suggest that you take the vote on rejection now. I am perfectly happy to continue with the vote, but I would just like to make a very short statement after the vote if you would allow that.

President. — We shall now vote on the request by Mr Balfour on behalf of his group that the budget be rejected, but before we do so I shall give the floor to Mr Pearce and Mrs Kellett-Bowman.

Mr Pearce (ED). — I shall vote for the rejection of this budget, and I want to tell you why. There can be no reason why Britain, one of the poorer Member States of this Community, should finance richer States. If our friends who take a different view believe that we should subsidize them, I tell you that you will not find one out of the 54 million people in the UK who would agree with you. You are storing up trouble for yourselves in this Community.

Moreover, this budget does nothing to solve this problem once and for all. We want a final solution to these budgetary problems. There are more important things to get on with in this Community than this annual wrangle over the budget. But we from Britain will go on fighting this thing until we get justice. We will do whatever we can to draw attention to the justice of our case. And I wish our friends — and you are our friends, many of you — would see this.

But for Mrs Castle to masquerade as the champion of the British view on this case, as she did a moment ago, is ridiculous.

(Continuing protests from the left)

She represents a group of wreckers; we have tried with our amendment. That is the difference between us. We are pro-Community. I wish our friends would support us.

Mrs Kellett-Bowman (ED). — There is no virtue in dying unnecessarily in the first ditch whilst there is still a chance of winning the battle. That is why I did not vote for the previous motion to reject the budget. We believed at that stage — we had confidence in the sense of justice of our friends and in the justice of our case — that we had a chance, albeit a thin one, of persuading Parliament not to adopt measures in the budget which, though it contained some very useful matter on the Regional and Social Funds with which we are fully in favour, clearly discriminated against one Member State, the UK, by freezing the rebate. We did not manage to prevent this injustice and I shall be voting for our amendment to reject this manifestly unfair budget, and I hope that all Members who believe in fair treatment for every Member State will do likewise.

Mr Balfour (ED). — Mr President, I will give my explanation of vote later according to the Rules. I would like to explain what we are about to do. We have, up to this point, supported the Committee on Budgets and this Parliament in its legitimate efforts to improve the shape of the 1984 budget, but by this last vote Parliament has shown, in a staggering display of political insensitivity and discrimination (*Applause from the European Democratic Group*), that it is more concerned to play politics with the Council. So be it, but have the guts to take the Council on as a whole! You will continue now without the support of my group. From now on, you are opposed by every directly-elected representative of the British people. We withdraw our support, not in a trigger-happy, gloating, frightened gesture like Mrs Castle, but with total justification and in real anger.

(Applause from the European Democratic Group)

IN THE CHAIR : MR ESTGEN

Vice-President

SCRIVENER REPORT (DOC. 1-1165/83
'SECTION III — COMMISSION')

After the explanations of vote

President. — The list of speakers for an explanation of vote is now exhausted. We shall now proceed as follows: I shall first call on Mrs Scrivener to speak and then we shall vote on the motion for a resolution. The Commission, the Council and Mr Lange will then speak.

Mrs Scrivener (L), rapporteur — (FR) Mr President, ladies and gentlemen, in view of the present difficulties, which are considerable, I think we have reason to be satisfied at the Parliament's having chosen to adopt a wise and responsible approach.

I am perfectly aware that things are not easy and this budget is not perfect, but people should also realize that there is at least one institution in the Community which still seems to believe in Europe. Within the modest limits of our power we have simply done our duty; we had a budget to draft and that is what we have done. It is quite true — and here I am replying to our British colleagues — that there are problems outstanding which must be solved, and you are very well aware — please admit it — that the resolution mentions the 31 March. You know as well as we do that we did our best not to discriminate against anyone. Since the Council behaved as it did, we quite simply could not do otherwise, and you know that deep down. It is now up to you to help us find some lasting solutions. There are few people who want a solution to these basic problems as much as I do. You are not the only ones with problems — there are other people in Europe facing difficulties too.

(Applause)

Scrivener

Lastly, if anyone is prepared to do something to save Europe, they will perhaps be sitting one day in this Parliament. Even if we have different ideas on a lot of things, many of us do share a wish to save Europe.

Let us have the courage to say that we are well aware that there will be changes in the months to come, that we have something to work on which is worth something and that we will do our best. Do not just think of yourselves. The others should not think only of themselves either. Let us try and make some progress. There is not just one way of looking at Europe. Europe will be what we make it and everyone is forgetting that.

As regards the Council, which I would like to thank in a way although it has not been particularly helpful to us, I think there is a lesson to be learnt. We tried to do something and reach some consensus, and you know how difficult it was. That is what you must also try your best to do.

(Applause)

I would also like to express thanks to the Commission. There have been a lot of misinterpreted remarks on various subjects. They are completely inaccurate but it is true that unless the institutions pull themselves together and develop a more cooperative attitude and a deeper understanding of each other, if we are going to spend our time thinking about ways of tripping each other up in order to stay on top, we will never get any further.

(Applause)

It remains to be seen how many of us want Europe to advance. One last home truth. It is obvious that this Parliament has to have a budget before the elections, as we all know. What would we tell our voters if we did not have a budget, and I am glad we have one even if it is not perfect. We will go on working in the six months we have left. So much the better if we manage to solve the major outstanding problems and if we all have to help each other. If we are not capable of doing so, there just will not be any Europe nor any individual European countries either.

(Loud, prolonged applause)

Mr Arndt (S). — *(DE)* As I have gathered from a number of explanations of vote, Mr President, it is not clear what we are voting on. The President explained this morning that the budget was adopted with the last vote, so that what we are voting on now is not the budget but the motion for a resolution. I should be grateful if you could make that perfectly clear once again.

President. — You have made it very clear, Mr Arndt, and I can confirm what you have said. The budget has been adopted and we are now voting on the motion for a resolution by Mrs Scrivener.

After the adoption of the resolution

Mr Tugendhat, Vice-President of the Commission. — Mr President in the light of the commentary in Parliament's resolution on the 1984 budget concerning the commitment appropriations entered on line 772 and the explanatory statement by the chairman of the Committee on Budgets, the Commission interprets these credits as being of a different character to the other commitment appropriations entered elsewhere in the budget. Indeed, it interprets the commentary as indicating that the commitments attributed to this line are of a purely symbolic nature. The Commission will draw the appropriate conclusions as regards its responsibility under Article 205 of the Treaty for executing the budget.

My second statement refers to paragraph 8 in the resolution calling on the Commission to table budgetary corrections by 15 January. The Commission will take measures in the next few weeks on its own responsibility and make, if necessary, legislative proposals to the Council to ensure the proper execution of the 1984 budget. If these decisions require changes in the budgetary appropriations for 1984, proposals will be made using the appropriate budgetary instruments.

May I conclude on a more personal note. It is customary at the end of the budgetary procedure for the Commission to thank the rapporteur of the Committee on Budgets — in this case, Mrs Scrivener — and the chairman of the Committee on Budgets, Mr Lange, for the work which they have done during the long process leading up to this moment. I do so with pleasure. It has been a very difficult operation.

I should also like to say a word to the President of the Council in his personal capacity. He has not had an easy task. I think all those who have come into contact with him, whether from the Commission or, if I may speak on behalf of others, from the Parliament, have been struck by the great efforts which he personally has made. May I end by wishing all three of those people and the many others who have supported them in their work a very happy Christmas.

(Applause)

Mr Georgiadis, President-in-Office of the Council. — *(GR)* Mr President, ladies and gentlemen, I should first like to thank Mr Tugendhat for his fine speech. I should also like to say that the Council of Ministers and its President have endeavoured all year to draw up a Community budget.

We realize that this budget does not satisfy all the aspirations of the various parties concerned. I should, however, like to point out that in the preceding voting not all the aspects of the Council's position on the 1984 budget were adopted. For this reason, and also because I cannot foretell the reaction of the Council members to the stance which you have taken, I should like to express the Council's reserves concerning the 1984 budget.

Georgiadis

In conclusion, Mr President, I should like to thank all my colleagues, especially Mrs Scrivener, Mr Pfennig, the Chairman of the Committee on Budgets, Mr Lange and Mr Tugendhat and his departments, who have made a major contribution to the work, together with the Secretariat of the Council of Ministers, which helped us so much to bring this work to completion. Despite the dissatisfaction which some of you must feel, I should like to express the hope that you will enjoy your holiday, and to wish all of you and the Community a happy New Year.

(Applause)

Mr Lange (S), chairman of the Committee on Budgets. — *(DE)* Mr President, ladies and gentlemen. It has now become common practice in this House for a few conciliatory words to be spoken at the end of all the budgetary consultations. I would therefore like to thank first of all the Council and Commission for their best wishes presented to us yesterday by Vice-President Tugendhat and President Georgiadis. However, I would also like to point out that, in spite of all the good, personal contacts and friendly discussions we have had with each other, the Council and Commission, or vice versa, the Commission and Council, should comply with Parliament's wishes in connection with the setting of the two dates; 15 January and 31 March. We expect this budget to be amended as quickly as possible to take account of the facts.

(Applause)

We cannot wait for you, Mr Tugendhat, to draw up the appropriate legislative proposals; you must act immediately in the same context, assuming acceptance by the Council and Parliament, and make the necessary preparations to allow passage before 31 March 1984 of an amending budget answering the questions what is to be done about agricultural policy and British and German contributions. The answers cannot be postponed any longer. I have to say this to you whether you like it or not, in spite of all our good wishes to you for Christmas and the New Year as well as for your health, this commitment goes along with them!

(Applause)

I would also like to point out that the work of the Rapporteur, Secretariat and Committee had to be done under more difficult conditions than in previous years, and you all probably noticed this because the necessary documents were not available in the time specified in the Rules of Procedure. All in all, however, this was due to the difficulties between the three institutions which had to be dealt with in order to settle specific questions. However, the fact that our colleague Mrs Scrivener, the Secretariat, the interpreters and the rest of the Parliament staff helped to get

things finished under these difficult conditions merits due respect, therefore we would like to express to you our sincere thanks for your special efforts.

(Loud applause)

I do not intend to make a political assessment of what we have decided today (someone has just said you are lucky I am not doing so) and I only hope that in spite of all the good wishes for all those concerned, for the festive season ahead of us and the New Year, we shall approach with sound optimism, as well as the necessary prudence, seriousness and energy, the tasks which were not solved in Athens, so that by the end of the next three months, we shall actually be able to present solutions to the public in Europe. It will then be possible to do what Mrs Scrivener described so vividly a short time ago, that is, put Europe onto a course which stabilizes it for the benefit of all our nations and the rest of the world.

(Applause)

President. — Mr Lange, I should like to endorse what you have said by way of thanks, especially with regard to Mrs Scrivener. But I should like to thank you as well, Mr Lange, for the way in which you have chaired the Committee on Budgets. Let me also thank the interpreters and the staff in general who have patiently worked with us until this hour.

(The sitting was suspended at 1.25 p.m. and resumed at 4 p.m.)

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4. Formal sitting¹

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IN THE CHAIR : MR PFLIMLIN

Vice-President

5. Topical and urgent debate

Lebanon

President. — The next item is the joint debate on two motions for resolutions on the situation in Lebanon :

— motion for a resolution (Doc. 1-1179/83) by Mr Glinne on behalf of the Socialist Group, Mr Barbi on behalf of the Group of the European People's Party (CD Group), Sir Henry Plumb on behalf of the European Democratic Group, Mr Fanti on behalf of the Communist and Allies Group, Mr Bangemann on behalf of the Liberal and Democratic Group and Mr de la Malène on behalf of the Group of European Progressive Democrats ;

¹ See Annex II.

President

— motion for a resolution (Doc. 1-1192/83) by Mr Glinne and others on behalf of the Socialist Group.

Mr Glinne (S). — *(FR)* Mr President, ladies and gentlemen, I should like first of all to point out to you that in paragraph 1 of the motion for a resolution which I have tabled, the French text should read as follows: 'dans le cadre clairement défini d'un mandat politique relevant autant que possible de la coopération politique des Dix'.

Turning now immediately to Amendments Nos 1 and 2 tabled by Mrs Le Roux and Mr Denis, as regards Amendment No 1, which relates to paragraph 4, I must say that we find it hard to accept this amendment because of the vague and imprecise manner in which it has been worded. The United Nations, at various levels — General Assembly, Security Council, Unesco, etc — have adopted dozens and dozens of documents dealing with the situation in the Middle East and if no clear reference is given to the text in question we feel we must reject the amendment in its entirety.

Let me point out that His Majesty, King Hussein, when he spoke a few minutes ago, alluded only to Resolutions No 242 and 338 of the United Nations General Assembly.

For this reason, we shall abstain on Amendment No 1 tabled by Mrs Le Roux and Mr Denis.

We are able to accept Amendment No 7 b, which merely clarifies other features of the motion for a resolution.

Let me emphasize that the three main aspects of this motion are the following:

Firstly, the attempt to find a political solution: the mandate of the European contingents in the Lebanon, which can only be justified if these contingents support the setting-up of a Lebanese Government representative of all the political forces of the country, and not a particular force or a coalition of particular forces, and, for this reason, in our opinion, this means that, except in cases of justified self-defence, the European contingents should not side with either of the opposing camps engaged in this civil war.

In addition, we would like Parliament to state once again its demand that foreign troops, that is to say Syrian and Israeli troops, should be withdrawn from Lebanese territory, the southern frontier of which should be adequately guaranteed in order to protect the security of the populations of both southern Lebanon and northern Israel.

Finally, the last important aspect of this motion for a resolution: we must express our indignation at the blockade imposed by the Syrian Army, by dissident Palestinians and by the Israeli Navy on those Palestinians in Tripoli who have remained faithful to Yasser

Arafat, and we call for a guarantee of safe conduct for these fighters, which we shall call the PLO regulars, for lack of any other term which might perhaps be more accurate — and the word 'fighter' also includes the families and the children, as well as the men who bear arms — accompanied by adequate international and military protection.

That, Mr President, is the essence of the motion for a resolution which the Socialist Group has tabled and which we hope the Assembly will be prepared to accept. We are, in addition, perfectly in agreement with the text which has been tabled by Mr Bange-mann and other members of this House.

Mr Habsburg (PPE). — *(DE)* Mr President, the crisis in the Lebanon, which has assumed dangerous proportions again, especially over the past few days, is also a European issue. History shows that over the centuries the Mediterranean was much more often Europe's focal point than our southern border. We have cultural, scientific and religious links with the Lebanon. Up to the end of the Second World War, the entire Middle East was directly linked with Europe by the Turkish Empire. As a result, what happens south of the Mediterranean has a direct impact on us, as we have been reminded by eminent representatives of this region who have spoken before this Parliament, such as the late President Sadat, and a few moments ago, the King of Jordan.

The Lebanese tragedy should not leave us cold. In the Shouf Mountains we have seen what havoc can be caused by a hasty evacuation. We must not repeat this error. The Europeans in the peace forces, like the Americans, are today protecting world peace in and around Beirut, which is why we owe them our gratitude.

It is this responsibility of Europe and our anxiety about the consequences of these events for our people that have given rise to this resolution. We hope that leading representatives of the people of Europe will go to the scene and see for themselves what is happening, and then in the light of their findings make proposals for our future course of action. They should also, however, tell our friends in the Lebanon that Europe is aware of her commitments to those who will always be linked with us by tradition and history.

The European People's Party therefore requests the adoption of the inter-group resolution. On the other hand, it cannot accept the Socialist Group's resolution because it is based on events whose future course we cannot yet be sure of.

Mr Fergusson (ED). — Mr President, there is not much one can say about these appalling problems of the Middle East in two minutes. But I would like to register one or two points in the short time I have.

Fergusson

One, my great satisfaction that the European Parliament, this very week, has seen not only the delegation from the Knesset here, but has heard this extraordinarily moving speech from the King of Jordan. Both these visitors here have been listened to with the same sympathy by this Parliament. I would like to endorse that belief in moderate solutions which we heard in the moving address half an hour ago. I would like to register our concern that American involvement in the Lebanese problems has now got so much deeper than when we last discussed these problems. Indeed, America herself suddenly seems to be becoming, as we warned, part of the general problem, however much we may approve or understand the reasons why they are becoming more deeply involved.

We must record our anger, above all, against the Syrians' cynicism, which prevents wilfully, forcibly and bloodily the implementation of any pacific agreement that has been made between Israel and Lebanon, while with breathtaking hypocrisy Syria observes the clear ceasefire on the Golan Heights — an area infinitely more dangerous to Syria itself — and does so more or less in the same breath as it prevents other people from recognizing other agreements. I would like to record our concern here for the safety of the whole of the European and American peacekeeping force there, particularly, if I may say so, the United Kingdom troops there, and to pay tribute, as Christmas approaches, to all the genuine peacekeepers in that troubled region.

Finally, I would like to say one word about our own proposals for a high-level European delegation to go there to try to solve the problems that have baffled three generations of peace-keepers and problem solvers. I do not know what will happen there. All we know is that the political kaleidoscope of the Middle East is changing all the time. To the north of Israel it seems to be getting worse, to the East it seems to be getting more hopeful. I can only say that we welcome any signs that things there are changing for the better. We shall, of course, be endorsing the resolution which has been put forward in our name.

Mrs Cinciari Rodano (COM). — *(IT)* Mr President, we are obviously in favour of the motion for a resolution tabled by all the chairmen of the political groups.

The extreme gravity of the situation in Lebanon and the dangers that threaten the Middle East and peace in Europe and in the world call for a special initiative. I hope that this mission at the highest level will provide the stimulus for our Parliament to commit itself to promoting genuinely effective and decisive action by the ten Member State governments of the Community in the spirit of the Venice declaration — which we were, moreover, reminded of a short while ago, in a favourable reference to it made by the King of Jordan in this House.

I think the time has finally come to understand that the heart of the Lebanese problem, and, more generally, the Middle Eastern problem, is the right of the Palestinian people to self-determination and the need to recognize the legitimacy of the PLO and Yasser Arafat as representatives of the Palestinian people. There can be no solution to the Middle Eastern problem without diplomatic activity involving all the interested parties, including the Soviet Union and the United States, as we were reminded here in this House in an authoritative speech by the head of one of the Arab States directly involved in the area.

From this point of view, we appreciate the spirit of the Socialist Group's resolution, in that part of the resolution where they voice indignation at the unacceptable blockade imposed on Arafat's Palestinians in Tripoli by the PLO dissidents and the Syrian Army on the one hand, and by the Israeli Navy on the other, and we join in calling for adequate military and international protection for the PLO's regular fighters, so that they can be evacuated from Tripoli. We are also in favour of the amendments tabled by Messrs Le Roux and Piquet.

On the other hand, we cannot accept the first three paragraphs of the Socialist Group's resolution concerning the multinational force. It seems to me that it is pure hypocrisy to say that the multinational force must have a peacekeeping role and must remain in Lebanon only to the extent that certain conditions are fulfilled, when the situation which originally justified sending the multinational force has undergone a fundamental change and when the United States contingent at least is behaving in practice as if it were engaged in a war with one part of the Lebanese population and one of the neighbouring countries.

Our party is fighting in Italy for the withdrawal of the Italian contingent before it is too late; and I shall take the liberty of saying that we believe the multinational force as a whole should be withdrawn from Lebanon before the situation deteriorates to the point of directly involving European troops and troops from other countries in a war which could result in a direct confrontation between East and West.

Mr Beyer de Ryke (L). — *(FR)* Mr President, ladies and gentlemen, you have before you a joint resolution tabled by the chairmen of all the political groups — a procedure which has its own intrinsic solemnity — and I hope ladies and gentlemen, that I may be permitted to speak here in a dual capacity. My political group has asked me to be its spokesman: I am happy to agree to that, without forgetting that I am also chairman of the delegation responsible for relations with the Maghreb countries.

As the spokesman of my group, I shall say that an exceptional situation can and must call for an exceptional delegation, and how better can one confer such

Beyer de Ryke

a quality upon this delegation than by putting it under the chairmanship of the President of the European Parliament? Any chairman of a delegation is only the representative of the president, and the president himself is the first servant of Parliament. May I ask him — he who pointed out, for which I am grateful, in the presence of His Majesty King Hussein, the role played in Amman by the delegation which I have the honour of chairing — may I ask him not to deny, and not to ignore this delegation when the time comes to appoint the members of this special mission? On behalf of my political group, on behalf of the delegation and on my own behalf, I can only express the wish that, in the form decided on by this Assembly, we may bring to the Middle East a message which will be a genuine encouragement to peace. The voices of famous men, from President Sadat to His Majesty King Hussein, have been heard in this House. They have made an appeal to Europe and they see in our Assembly the legitimate representative of Europe and we must play our part not merely in order to respond to that appeal: we must play our part because in that way Europe asserts its own identity.

In a speech which covered a wide range of political subjects, King Hussein spoke of the Soviets' lack of a role in the Middle East; what I find more infinitely more worrying — I concede and admit as much — is the idea that Europe might find itself excluded. The motion for a resolution tabled by the chairmen of the political groups — though it may be an excessive example, as certain members of this House believe, of a kind of presidential democracy within this Assembly — has no other purpose than to see that Europe does not find itself without a role. That, ladies and gentlemen, is why, in view of the concerns which I have just voiced, I recommend that you approve this motion for a resolution.

Mr Cousté (DEP). — *(FR)* Mr President, on behalf of my group I should like, quite obviously, to announce our support for this joint resolution, all the more so as, in our view, the crisis which Lebanon is going through is not merely a localized crisis, nor even a European crisis, but a veritable world crisis, because it calls into question the very principles which govern the international community, that is to say, human rights and, as regards States, the sovereignty of a particular State, Lebanon, which is a member of this international community and which has a seat at the United Nations. This is why we are in favour of the evacuation of foreign forces, that is to say, all foreign forces, but against the crushing, the annihilation, of some of them in fratricidal struggles.

We are equally opposed to the tributes which certain Members of this House would like to pay to some of these fighters, and finally — and this is our last word — we also wish to pay homage to the soldiers, whatever their nationality, who are stationed there, soldiers of peace and not of war. And this is why, with

all our strength, we hope that this proposal for a special delegation will betoken our unanimity in the face of a problem which calls into question the very principles of coexistence and the life of each one of us.

Mr Romualdi (NI). — *(IT)* Mr President, ladies and gentlemen, as we address ourselves at this moment to the topic of Lebanon we cannot avoid referring for a brief moment to the speech made by King Hussein of Jordan, who, like President Sadat two years ago in Luxembourg, but with opposite aims, is here on a visit which is not merely a courtesy visit but a political event of great importance.

In this way a note of frankness and clarity has been brought to a frighteningly tense and confused situation, the human and political terms of which tend to defy any ordinary assessment. It is not indeed easy at least for us Westerners — to arrive at an opinion on the real nature of the tragic situation which is causing so much bloodshed in Lebanon, on the tragedy which for too many years has been tormenting the territories and the peoples of the Middle East, amongst whom Jordan constitutes a stable point of reference (or at least it used to constitute such point of reference until a short while ago, as the powers that be in both Moscow and Washington are well aware) for the safeguarding of strategic positions and interests which are certainly the concern of Jordan, but are also the concern of the so-called 'moderate' Arab world which we believe exists, in opposition to the Arab world of the 'Rejectionist Front' which has inevitably ended in a serious crisis, torn by internal dissension and trapped — right now — between the Druse forces and the Lebanese and Israeli forces, Muslims and Christians, all equally distrustful of each other and equally hostile, and which seems, or at least seemed until a short while ago, to be waiting for the definitive and inglorious end of Yasser Arafat and his thousand-and-one policies: from the most ruthless terrorism, which Hussein himself fought against during 'black September', to the policy of imploring and requesting aid for everyone.

Everybody wants peace and independence for the Lebanese and Palestinian peoples, peace throughout the Middle Eastern world, from Syria to the peoples of the Gulf; but King Hussein reminded us a short while ago that what is at stake in the Middle East is not just what happens to the interests and the aspirations of the Arab and Israeli peoples and nations, Christians and Muslims: many important Western interests in general and European interests in particular, are also at stake. The security of strategic and political positions which cannot be abandoned in any of these regions if we do not wish to see other powers arrogantly taking our place, with determination and exclusively; these are — let me repeat — interests which neither American nor French, neither English nor Italian, as the composition of the much

Romualdi

abused and long suffering peacekeeping force might suggest, but instead they are strategic and political interests and positions common to all the peoples and countries of the Free World, and it is up to all of us to defend them in the conviction that there are no clearly defined boundaries to peace and security, neither geographical nor political boundaries: constitute a whole, a global problem, which must be understood and tackled as such, with the appropriate courage, with determination and with all available means.

Mr Ephremidis (COM). — *(GR)* We members of the KKE would have no objection to an initiative being adopted by Parliament and the Community as a whole concerning Lebanon and the rest of the Middle East.

However, if this initiative is to succeed, it must follow the guidelines set out by King Hussein in his speech, in which he counselled prudence and justice. King Hussein has explained where the blame lies, why this situation has arisen and the nature of the threat to the Middle East. I repeat that we would have no objection to such an initiative provided, however, that it is sincere and objective, that it recognized and supported the rights of the Palestinian people, and pointed out Israel's responsibilities for its actions, especially for its violation of its obligations, of which it has been repeatedly and forcibly reminded by the General Assembly of the UN and the Security Council in their resolutions. However, of the two motions which we have before us, the one is somewhat vague, and gives no clear indication as to the action to be taken, the criteria to be used or the type of delegation to be sent, and the other dwells at length on the need to maintain the so-called peacekeeping forces, i.e. the American troops and forces from Member States of the Community, which in practice, particularly the American forces, have been transformed from a peacekeeping force into a sort of army of occupation which is interfering by waging a one-sided war against certain Lebanese and Palestinian forces.

Mrs Veil (L). — *(FR)* Mr President, a short while ago Mr Fergusson pointed out that during the same week we had listened to King Hussein of Jordan and received a delegation from the Knesset.

For my own part, I should like to point out that on the same day we voted in favour of a budget which made positive suggestions with a view to overcoming the difficulties at present facing the Community — suggestions which met with a broad consensus of approval — and that, this afternoon, we are discussing Lebanon.

Putting these events into their proper perspective, I must say that this afternoon's debate seems much more serious to me, because it is a source of anguish for all of us, and I am choosing my words carefully, because the situation is grave and the number of interests involved is particularly complex.

So I shall not claim, either on behalf of the Liberal Group or even on my own behalf, to propose a miracle solution. I shall merely attempt to voice the humanitarian sentiments which permeate our group in respect of the special problem that is represented by 4 000 Palestinians driven back to the sea by the Syrians, who, until a short while ago, were their friends, and by their own Palestinian brothers. On top of the Syrian bombardments, on top of the hand-to-hand fighting amongst these hostile brothers, we now have Israeli bombardments designed to prevent the survivors from being evacuated. Whatever be the origins of this situation, it seems unacceptable to us, for humanitarian reasons, that women and men caught in this way between the land and the sea should be exterminated in Tripoli. Consequently, we believe that negotiations should be open between all the parties concerned.

But, on the other hand, we are stupefied and outraged to learn, judging by the dispatches of certain news agencies — of course, we must wait till this news is confirmed — that some governments would seem to have promised — and here I am quoting — 'total protection for the departure of Mr Yasser Arafat', without attaching any conditions regarding the safety of the men who would be involved in these military operations, or even any guarantees regarding the future activities of Mr Yasser Arafat, undertakings, for example, not to resume the terrorist activities which he has been involved in in the past. Does that mean that we are ready to order the intervention of troops to guarantee Mr Arafat's safety, whatever the conditions? I asked the question and I hope that we shall have an answer. But just as, for humanitarian reasons, we believe that no martyrs should be created and that men and women who are in danger should be saved, similarly we cannot accept that his should happen without any conditions being attached.

(Applause)

Mr Kyrkos (COM). — *(GR)* Mr President, I am sure that the European Parliament has been deeply moved by King Hussein's speech. We must find a way of answering his appeal, without, however, confining ourselves to a mere verbal expression of our agreement with his speech. We must find a way of contributing to the dialogue between the two major powers of our time, with the participation of those involved and, of course, Israel and the PLO.

We are therefore in favour of sending to Lebanon a European Parliament delegation to offer the Community's services in order to seek a peaceful solution for the crisis. We are, however, against the continued presence of the peacekeeping forces, since it would seem that the American troops have only exacerbated the crisis and have covered up Israeli aggression. We ask the Parliament to intervene decisively on the side of the Greek Government, so as to bring about the safe

Kyrkos

withdrawal of Arafat and his comrades in arms. When we listen to Sharon, or hear of the slaughter of Palestinian women and children, and of people calling for Arafat's head on a plate, we can only wonder at the depths to which some Israelis' responsibility has fallen, people who, because of their actions, may well lead the region and indeed the whole world to ruin.

President. — The debate is closed.

Vote

After the adoption of the resolution in Doc. 1-1179/83

Mr Israël (DEP). — (FR) On a point of order, Mr President, I should like to ask a question. We have just passed a resolution which asks for a delegation to be sent to Lebanon and the surrounding countries to carry out an investigation with a view to determining a position of substance. The motion tabled by Mr Glinne, which is now about to be put to the vote, implies that such a position exists. There is some contradiction and I would ask you to use your discretionary power as President to request Mr Glinne to withdraw his motion for a resolution.

President. — Mr Israël, I do not have the powers which you seem to think I have. Also, I do not think that the two motions are incompatible.

Mr Glinne (S). — (FR) Mr President, I should like to indicate where the group chairmen were in agreement, and they were unanimous until this point. The group chairmen felt there was a need to call for the immediate departure to the Middle East of a parliamentary delegation at the highest level. But they also felt that in their capacity as group chairmen and without consulting the House they could publish a letter which called for a safe passage on humanitarian grounds of the Palestinians who were besieged in Tripoli. It was when the second part of the agreement among the group chairmen was cancelled by two major groups that the Socialist Group tabled the motion we are dealing with.

Motion for a resolution contained in Doc. 1-1192/83 — After the vote on paragraph 3

Mr Klepsch (PPE). — (DE) Mr President, we are now voting on a text of which all the parts have now been rejected. Why are we continuing to vote on something irrelevant? It is really beyond me.

(Applause)

We adopted a text which was acceptable to every group in the House. Now we are voting bit by bit on another text even though, as you know, we feel that the first text is sufficient.

President. — Let me tell you, Mr Klepsch, that there is no contradiction between the rejection of the preceding paragraphs and the possible adoption of the paragraph which is now being put to the vote.

Paragraph 8

Mr Glinne (S). — (FR) I have not asked for a check by electronic vote but do you realize what this paragraph says? It says: Instructs its President to forward this resolution, etc. We voted against it. That is a bit much!

Mr Klepsch (PPE). — (DE) Mr President, Mr Glinne has obviously not understood that it is precisely that which we do not want, and therefore we are voting against it.

Social Fund 1984

President. — The next item is the motion for a resolution (Doc. 1-1184/83/rev.), tabled by Mrs Majj-Weggen on behalf of the Group of the European People's Party (CD Group), Mrs Salisch on behalf of the Socialist Group, Mr Patterson on behalf of the European Democratic Group and Mrs Squarcialupi on behalf of the Communist and Allies Group, on the major delay in adopting guidelines for the Social Fund for 1984.

Mr Van Minnen (S). — (NL) It is bad enough that we now have to debate the implementation of the Social Fund following our observation that the Commission has not kept to its promise to adopt the guidelines for the Fund by December at the latest. It is still worse that the urgency of this afternoon's debate is underlined by the fact that the Commission appears totally unable to complete its work and reach a decision on the new guidelines.

This means that we have no idea how the 8% of Parliament's budget — admittedly a paltry amount, but it is still 8% — set aside for the social sector can be allocated next year. Mr President, I would like to say on behalf of the Socialist Group that I find it most regrettable that the Commission has not fulfilled its promise to adopt the guidelines sufficiently early to prevent those who wish to use the Fund next year from being subjected to any pressure. Moreover, Mr Commissioner, there are a large number of people for whom the Social Fund is the enshrinement of their aspirations for Europe. We in this House have thus also been prevented from fulfilling our function of expressing our views publicly on the Fund. This also contradicts the promise made by the Commission during the discussions.

This issue needs to be clarified, Mr President, and we in the Socialist Group once again want to make our views plain to the Commission. The Social Fund must not be allowed to become merely an instrument for allocating budgetary resources. It must be used where it is needed, that is, where sensible measures are applied. It must not become rigid but must be flexible enough to be used for short-term results. The Commission should also have the political courage to abandon traditional regional thinking and make the Fund a genuine instrument of social policy. This implies an approach to social policy which is directed not only at

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the depopulated regions but also at those densely populated areas in which the blight of unemployment is now often far more serious than in the areas of traditionally high unemployment.

We therefore have no idea of the Commission's intentions in the social sector. I do not know whether the Commission actually believes that Parliament is prepared blindly to withdraw 8% from the budget and then stand by meekly while the Commission fobs us off with the promise that everything will be arranged by next week. The Socialist Group, Mr President, wants a decision — and now.

What we are therefore asking the Commission is what steps it intends to take to avoid a situation in which the deadlines for the tabling of projects, on which legislation has already been passed, pose an unacceptable obstacle owing to the delay in drawing up the guidelines and to the uncertainty which this is creating in the Member States. In our view, the very least we can do for the users of the Fund is to respect these deadlines. The Socialist Group is very interested to hear the Commission's explanation for the cautious, indeed totally inactive approach it has adopted so far.

Mrs Maij-Weggen (PPE). — (NL) Mr President, the Social Fund is becoming one of the Community's most important means of combating unemployment.

Thanks to Parliament, the Fund now receives reasonable financial resources, nearly 8% of the budget, and thanks to Parliament it has set itself a clear priority, that is, the combating of unemployment among the young. It is therefore to be regretted that despite its enormous potential it is now becoming a bone of contention both between the Community and the Member States and between the Commission and Parliament.

The delays in establishing the guidelines for the Fund have created great uncertainty among the Member States as to which regions are to be considered for projects and which guidelines are to be applied in organizing projects for the Fund. Each week we receive dozens of letters and phone calls from regional authorities and institutions which are at a loss to know what to do about the situation. Furthermore, the Member States, the regional and municipal authorities and other institutions have now prepared their budgets for 1984 and can normally no longer make allowance for the Fund. There is therefore a grave danger that budgetary constraints will frequently result in no projects at all being submitted.

Mr President, this is a very serious situation, and I would like to hear what the Commissioner intends to do about it. Moreover, the opinions expressed by Parliament on this matter are now utterly wasted. Or does the Commission wish to suggest that the discussion on the letter which you sent us a month ago repre-

sents Parliament's democratic involvement in the guidelines? Mr President, if this is democracy, then even the Vredeling guideline appears highly promising compared with what the Commission is now offering us. My group is deeply distressed at this situation. We want an answer from the Commission on the present state of affairs, and we want the matter to be resolved with all speed.

Mr Patterson (ED). — When I signed this motion last week, I had every anticipation that paragraph 1 would by now turn out to be untrue, because we were assured that the guidelines would be adopted yesterday, and so it is with considerable surprise that I find myself still having to ask the questions which I am now going to ask. Indeed, every week we have been assured by the Commission that the guidelines would be adopted the following week and if my Spanish were better, I would say they have given a great new meaning to the word *mañana* — whatever the weekly equivalent is. I am sure the Commissioner is quite aware of the fact that this is becoming quite serious now in certain Member States. On the basis of the guidelines having been adopted on 1 December, there was a deadline for applications in March. Well now, in the United Kingdom, this meant that applications for Social Fund grants from the 1984 budget had to reach the Department of Employment by 20 January. This, of course, is now absurd, since we have still no guidelines, and, indeed, I am informed by the Department of Employment that it is not even possible to prepare or send the application forms for the Social Fund for next year until they know what the guidelines are.

So, I have a number of questions to the Commission, the most important of which is, of course when are these guidelines going to become available? Can we have a categorical assurance that they will be available next week? I know that the Commissioner responsible, Mr Richard, has been doing his best, and perhaps this question would be better addressed to the President of the Commission, Mr Thorn, were he here. But it is now becoming a matter of grave concern, and I think we ought to have a categorical assurance that something will be done next Wednesday.

The second question is: given the fact that we are almost a month late, will all the other deadlines now be extended so that proper applications can be prepared and submitted in time by the Member States? The final question is perhaps the most serious of all — it arises from what Mr van Minnen said: even if we do extend these deadlines, is the Commissioner now satisfied that these constant delays can nevertheless still allow the Social Fund to be committed and spent next year? One thing we wish to avoid at all costs are the massive carry-overs from one year to the next which we had in the present budget and which have done so much damage to the Social Fund. I hope the Commissioner will be assured

Patterson

that I wish him nothing but well: I realize the problems he is faced with in the Commission, but I think the situation in our Member States is now getting so serious that we require some answers.

Mr Richard, Member of the Commission. — Mr President, may I say at the outset that I can understand some of the anxieties that have been expressed today by Parliament about the delay in the Commission's decision on these guidelines. Far more attention than usual has been focused on the guidelines for 1984 precisely because they will have an important influence on the implementation of the new Social Fund rules which were adopted by the Council on 17 October, just two months ago.

I understand, moreover, that Parliament is particularly concerned about the guidelines since, for the first time, Parliament has had the opportunity to express its views on the guidelines before their adoption by the Commission, in conformity with Article 6(2) of the new decision as amended as a result of the conciliation procedure between Parliament and the Council. The meeting I had with the Committee on Social Affairs and Employment on 16 November in this context proved, I think, useful to all concerned. Indeed, the rapporteur, Mr Patterson, speaking on the subject at the last part-session, described the meeting as fruitful.

As regards the timing of the Commission decision on the guidelines, I, too, Mr President, regret the delay. Indeed, I did have firm hopes that I would be able to announce to you today that the Commission had arrived at a final decision at its meeting yesterday here in Strasbourg. This was not the case, unfortunately. I am afraid the decision will therefore be delayed another week. I am sure Parliament will understand that there has been a wide diversity of views within the Commission about certain key aspects of the new guidelines, in particular — and indeed this has been raised here this afternoon as well — about the question of regional concentration and the practical implementation and practical implications of the new Council decision on the Social Fund on this particular issue. I explained some of the issues involved when I discussed the guidelines with the Committee on Social Affairs last month.

I think it is important, however, that we put this within some kind of rational perspective. Although I regret the delay, I really do not think one should exaggerate the implications for the management of the Social Fund next year: 1984 was to be a year of transition in any event. A special timetable for the operation of the Fund in 1984 was foreseen by the Council in the knowledge that the Commission would have its time cut out to prepare not only for the new guidelines, but also for a new management decision, new application forms and payment forms, new rates of

intervention for recruitment premiums and so on. The whole package of documentation on Social Fund management for the future in all the various languages should be in the hands of the coordination units in Member States before the New Year. This would still allow enough time to submit applications within the time-limit laid down by the Council.

After all, and I really would emphasize this to Parliament, applications to the Fund are governed essentially by the new decision and the implementing regulation which was published on 22 October. The guidelines, on the other hand, do not in any way influence the eligibility of applications. What the guidelines do, and indeed they always have done, is to indicate how the Commission will seek to manage a situation in which eligible applications exceed the resources available for Social Fund grants. The guidelines may therefore influence the perceptions of individual promoters on their chances of obtaining a grant — that is perfectly true. But in no way do they prevent the submission of applications which can incidentally, in answer to one specific point raised, be made on the old application forms if necessary.

May I make a specific answer to a point raised by Mr van Minnen when he spoke in this debate. Of course, if there are specific problems in the Member States with the timetabling and if those problems are drawn to the attention of the Commission by the Member State, then of course the Commission will look at them. We will look at their problems. We will look at the timetables and we will see what appropriate arrangements can be made to deal with those problems. I therefore see no reason whatsoever why the delay in the Commission's decision on the guidelines, however regrettable, should cause special problems for the implementation of the Social Fund budget next year, whilst it will not be possible, and indeed it was never envisaged that it would be possible, for the Commission to process all applications and make decisions on 1984 Social Fund grants in time for the parliamentary electoral campaign. The Commission does intend to stick to the timetable laid down for 1984 and announce its decisions before 13 July.

Mr President, I think this was a useful opportunity, if I may say so, for me to set the record straight on this issue. This is what the motion requested. I hope I have answered accordingly.

President. — The debate is closed.

Vote¹

Voting rights

President. — The next item is the motion for a resolution (Doc. 1-1190/83), tabled by Mr Glinne and others on behalf of the Socialist Group, on the

¹ See Annex I.

President

exercise of voting rights in the European Parliament elections of 14-17 June 1984 by citizens of the Community who are not nationals of the Member State in which they have their permanent residence.

Mr Sieglerschmidt (S). — (DE) Mr President, ladies and gentlemen, on 25 May this year, the Council made a solemn declaration that all the Community's citizens should be able to exercise their voting rights in next year's elections. Unfortunately, only some of the Member States have followed up this declaration. There are major gaps which we are afraid can hardly be filled in time for the elections, at least as far as amendments to existing laws are concerned. As a result, we expect the following action to be taken by the Member States concerned :

1. There are three Member States which allow no voting rights at all to those of their nationals residing in another Member State. This is a downright scandalous situation. We have citizens of the European Community without voting rights simply because, by chance, they do not live in their home country but in a different part of the Community. I was very pleased to hear just now that the European Democrats, too, criticize this state of affairs and I hope therefore that there will soon be a change. We expect the three countries concerned, and I shall name them here and now : Belgium, Ireland and the United Kingdom, will change their voting laws as soon as possible.

2. Three Member States allow their nationals residing in another Member State to take part in the European elections by postal voting or transfer of voting rights. So long as, and I stress the words 'so long as', the Community's citizens cannot vote for candidates of their country of residence in all Member States, and so far this is unfortunately possible in only two Member States, we expect the other seven Member States seriously to consider whether they, too, intend to introduce postal voting or transfer of voting rights.

3. Mr President, all the Member States have specifically declared that in cases where it appears necessary, they will enable nationals of other Member States living in their country to vote in diplomatic or consular missions, or under the supervision of these.

We urgently hope, and this was one of the reasons for this motion, that this announcement at least will be put into effect so that, of the many hundreds of thousands, and there are probably over a million Community citizens who are threatened with exclusion from the vote next year, at least several hundred thousand will be able to make use of their voting rights in this way.

(Applause)

Mr Antoniozzi (PPE). — (IT) Mr President, the Group of the European People's Party has always

believed that the citizens of Europe, in particular those who are resident in a Member State of the Community, should have equal rights and obligations, including those relating to voting rights and procedures, both active and passive. In the recent past I myself launched an initiative in this field which obtained a very large number of signatures and which was subsequently incorporated in the general Resolution concerning European electoral law which we have already voted on.

For these reasons we consider that this proposal, which calls for the adoption of definitive measures, is useful and meaningful, bearing in mind the resolutions of the European Parliament of 10 March 1982 and 9 March 1983, as well as the appeal contained in the Declaration of the Council of Ministers of 25 May 1983.

All of that should be enough to permit citizens of the Community permanently domiciled in a Member State of the Community which is different from the State whose nationality they have to vote in their place of residence in accordance with a varying series of procedures corresponding to the *de facto* situation or to preconditions of a legal nature.

We trust that in this way justice will be done for those citizens who are, through their daily work, the standard bearers of Europe and of their native countries, sometimes in difficult local conditions. They look to us for moral and political support in their daily labours so that they can help to construct a democratic Europe, and we must not fail them.

Lady Elles (ED). — Mr President, I just wanted to join with other groups in supporting this resolution. We in the United Kingdom have something like a quarter of a million British citizens living within the European Community who were deprived of the vote in the elections of June 1979 and so far, with no government legislation implemented or even proposed at this stage, a quarter of a million British citizens will once more be deprived of the right to vote in the elections of June 1984. We must remember that Europe is a centre of democracy : it is based on the free right of every citizen throughout the Community to vote, and until these quarter of a million citizens are given the right to vote in the United Kingdom, where their loyalties and interests are attached, we cannot say that democracy is fully achieved in the Community. For one example, I have the ridiculous situation where my son, a British subject living in Brussels, cannot take part in the vote, my daughter-in-law, who is French, will be voting. This is clearly discrimination, I deplore it, and I hope that, even if we cannot reach June 1984, this intolerable position for a quarter of a million British citizens will not be allowed to be perpetuated.

Mr Ouzounidis (S). — *(GR)* First of all I should like to thank Mr Glinne and his colleagues who, in this motion, bring to the fore the important issue of the right to vote of Community citizens who are not nationals of the country in which they are resident. This problem is of particular current interest because of the approaching 1984 European Elections.

We recognize that the Greek Presidency has made great efforts within the Council of Ministers to solve this problem but differences of opinion have prevented the adoption of a joint Council statement. In a Community which, above all, aspires to follow progressive forms of unification, and which tries to surmount any difficulties that arise, it is inconceivable, to say the least, that its citizens, who reside in a foreign Community country, should be forced to undertake tiring and expensive journeys in order to exercise their most basic political right. In practice this amounts to depriving immigrants of this right, since usually they have neither the time nor the economic resources to travel to their country of origin to take advantage of it.

We believe that it is undoubtedly the Community's duty to ensure that all practical difficulties are removed. The aim should be to allow immigrants the right to vote for the candidates of their country of origin for the following reasons: most Community countries which have an immigrant population do not view the immigrants as such, and consider the immigrants' residence to be temporary. It can be noted that when there is a crisis, the majority of the unemployed and those who retire or become disabled, return to their country of origin.

This illustrates the immigrants' close links with their countries of origin. We also believe that the right to vote must necessarily go hand in hand with the right to be elected, which is a right which the immigrants already enjoy in their country of origin. Any other solution would be too complicated.

We therefore call on both countries of origin and host countries to work together in dealing with the practical problems involved in giving Community citizens the opportunity to exercise this basic right.

(Applause)

Mr D'Angelosante (COM). — *(IT)* Mr President, I simply want to reply briefly to one or two remarks which seemed somewhat exaggerated to me.

I should like to point out to Mr Antoniozzi that he himself and his group voted against the measures in the electoral legislation which provided for voting rights abroad, and I should also like to point out to Lady Elles that it is her own party in the United Kingdom which does not want British citizens resident abroad to have the vote.

It is only right that diplomacy should not be used to conceal attempts to draw a veil over the truth.

That is all I have to say. I also have a request to put forward concerning the voting, and in order not to waste time I shall make that request now.

My Group, Mr President, asks to be allowed to vote separately on the separate aspects of paragraph 3, distinguishing between point a) and point b). The fact is that we intend to vote in favour of point a): we are against postal votes; on the other hand, we are in favour of the rest.

President. — The debate is closed.

Vote¹

Consumer protection

President. — The next item is the joint debate on two motions for resolutions:

- motion for a resolution (Doc. 1-1156/83) by Mr Collins and others on the special meeting devoted to consumer protection;
- motion for a resolution (Doc. 1-1186/83), tabled by Mrs Schleicher and others on behalf of the Group of the European People's Party (CD Group), on consumer policy in the European Community.

Mrs Schleicher (PPE). — *(DE)* Mr President, ladies and gentlemen, we made an application for urgent procedure and also signed that of Mr Collins because we think that what is going on with regard to the guidelines for consumers is downright scandalous. Two consumer protection programmes have since been introduced in the Community, but a large number of important decisions on consumer protection adopted by the Council have simply been left out. There is now also a whole series of guidelines which Parliament and the Commission finished working on long ago, but which are now held up in the Council.

This week the Consumer Ministers met for the first time. We feel that the constant postponement of the guidelines on misleading advertising, for example is gradually assuming scandalous proportions, especially when we consider that next year we in the Community will probably be able to pick up television broadcasts from different Member States. Misleading advertising has not so far been considered for harmonization. It is to be assumed that advertising will come to play a very important role, and all the laws applied in the Member States will thus be thrown overboard because the effect of national legislation will be nullified by advertising from foreign television stations. The request for urgent procedure is thus our attempt to place on record the fact that Parliament has completed all the preliminary work, and that we now urge the Council and the Commission to take action

¹ See Annex I.

Schleicher

on a matter of genuine concern to consumers. The need for urgency should not be expressed merely in words: the organizations called upon to do their duty and no more must now also assume responsibility for consumers. The main priority is to strengthen the position of the consumer as an equal partner in the market economy. We need to protect consumers against all forms of abuse and help them with regard to their legal position. We charge the Council with shamefully neglecting its duties, and that is why we made the request for urgent procedure.

(Applause)

Mr Sherlock (ED). — Mr President, I too will be brief in my request and my presentation — not only because my voice is about to give out, I think.

We have had good news this week, yesterday in fact, from the Minister, Mr Charalambopoulos, about the first meeting of Consumer Ministers since, I believe, the first consumer programme was tabled. He has, as I remarked yesterday, given an Olympic torch to the rest of us to carry on this good work. We do know already that the French Presidency has promised meetings in the early part of its term and also towards the end of its term of office in the coming year.

The urgency of the matter of advertising has been underlined by Mrs Schleicher in the light of the growth of modern communications and the advent of satellites. I hope that within these meetings this request for urgent treatment will prove to have borne fruit and that we shall be able to sustain a steady and reasonable pace, knowing that when we deal in this Parliament with consumer matters they will be carried through to legislation by the Council of Ministers with reasonable speed.

Mr Collins (S). — Mr President, I apologize for not being in the Chamber when this debate started, it came up rather quicker than I expected and I have a group of visitors from my constituency downstairs who are avidly interested in the workings of the European Parliament.

This is, in way, a sad little debate, and it is so because we are having to have it with the Commission. The Commission's motives and activities really are not in question this time. The original resolution was tabled as a winding up resolution to end an oral question with debate. The oral question was directed at the Council, because the feeling of the Committee on the Environment, Public Health and Consumer Protection was not that the Commission has been dragging its feet, has not had any political will or any imagination, if there has been a lack of political will, if there has been a lack of vision then I am afraid that that has been displayed by the Council.

If you take the proposals on misleading advertising, product viability, doorstep selling and so on, and look at the date at which they left Parliament, you will find

that all of them left this Parliament for the Council before this Parliament was actually elected in 1979.

I made the point earlier on this week and I make it again. I assume that the permanent representatives are intelligent human beings. I assume that they do actually talk to each other. I assume that they even talk to the multitude of lobbyists and trade associations that come to see them. When you look at the questions on which they have disagreed over the last 3, 4, 5 or 6 years, you find that, by and large, these questions have not been very difficult ones. If you take misleading advertising, for example, there has been disagreement about whether misleading also includes unfair. There has been disagreement about whether or not comparative advertising is to be allowed or not. There has been disagreement about whether or not it is possible to control advertising via voluntary agencies or whether you need legislation. Gradually the consumer organizations and the advertising industry — both advertisers and advertising agencies — have come together and they have agreed on a general line. Now, my simple complaint, personally and on behalf of my committee, is that since these things have been dragging on for so long, is it so unreasonable to expect intelligent people to reach intelligent conclusions reasonably quickly?

In conclusion, Mr President, I must say here that I do congratulate the Greek Presidency. They have taken the initiative. They did have a Council meeting this time, and I look forward to the French continuing that practice in the near future.

Mr Richard, Member of the Commission. — Mr President, Mr Collins asked me a question with enormous, cosmic implications: 'Could not reasonable people sitting down together arrive at a reasonable conclusion on a problem?' It is something which has exercised men's minds at least since the days of Isaiah, if I remember rightly.

As far as these two resolutions are concerned, the Commission indeed welcomes them. May I take them in order. As far as the one on misleading and unfair advertising is concerned, Mr Collins is quite right. It was proposed as long ago as 1978. It has been approved by the Parliament, approved by the Committee on Economic and Monetary Affairs and the Committee on Social Affairs and Employment; it has a modest aim, which is to establish a common definition of misleading and unfair advertising throughout the Community and, indeed, comparable recourse for consumers and competitors. I think it is relevant. I think it is a timely effort, particularly since both France and Germany have plans to launch television satellites by mid-1985. Luxembourg will probably use one channel available on the French satellite.

The central issue, as I understand it, is the inclusion of unfair advertising, which would pose special

Richard

problems for the common-law countries — if I can call them that — as they have no general concept of unfair competition. I believe that a solution has begun to emerge on the lines that the directive should deal with misleading advertising only, transferring unfair advertising, including comparative advertising, to a separate proposal. I hope this is true and I hope it continues to emerge and emerges successfully. Nevertheless, a great effort is clearly still needed to secure the adoption of this directive. I can only say again that we think this is a timely and desirable resolution, particularly now that the first-ever Council of Ministers for Consumer Affairs has taken up this important issue.

If I could turn briefly to the other motion for a resolution, Mr President, directives already proposed by the Commission include those on product liability, doorstep-sales, misleading and unfair advertising and consumer credit. A directive is planned on the calculation of the annual percentage rate of charge in credit contracts. The amended text of the consumer credit directive, taking account of the amendments proposed by Parliament should be adopted by the Commission early next year.

The Commission's first priority in the past year — this is in answer to paragraph 2(b) of the motion for a resolution — has been to secure the adoption by the Council of the first three measures I mentioned above — that is, product liability, doorstep-sales and misleading advertising. A considerable effort went into this work and, as Parliament knows, they were all discussed by a Consumer Council on 12 December. None was adopted, but some progress was made and the work will therefore continue during 1984.

As far as consumer dialogue is concerned, the Commission has endeavoured to the best of its ability to promote a greater mutual appreciation of the respective situations of consumers and producers in the present period of economic recession by organizing a dialogue between their representatives. We are now in the course of appraising the value of such dialogue in the light of our experience so far.

As far as consumer education is concerned, the pilot network on consumer education in schools had its last meeting in November of this year. The Commission is at present waiting for the final report, which is to be elaborated by the pilot's coordinator. We will then decide on the proposal for a resolution to be submitted to the Council on consumer education in schools in 1984.

As far as paragraph 2(c) is concerned, we have not yet started work on comparing the activities of consumer organizations at national level. This is due, quite frankly, to scarce staff resources. Neither is the Commission entirely convinced that it is opportune to undertake such a comparative assessment of the activi-

ties of private associations. I think there is a feeling that this could be too easily seen as a disguised form of overpaternalism.

As far as paragraph 2(d) is concerned, the Statistical Office of the Community undertakes regular surveys of retail prices, together with the statistical offices of the Member States. The last one was in 1980. It dealt with about 1 000 different items, but it collected data only from the capitals of the Member States. The Commission has not taken any initiative to enable price comparisons to be made at regional level, particularly in frontier areas.

Finally, as far as paragraph 2 (e) is concerned, since 1960 the Commission has brought proceedings before the Court of Justice in well over 50 cases, including infringements of Article 95 of the Treaty. Many of these have involved the imposition of a heavier tax burden on imported alcoholic beverages than on similar or competing domestic products. In Case 170/78 the Commission *versus* the United Kingdom, the Court found that the United Kingdom taxed wine too heavily in relation to beer. It was not argued that the level of excise duty should be the same for both products but that it should bear similar relation in each case to, for example, the degree of alcoholic strength.

Mr President, while these resolutions involve a certain amount of detail — one of them certainly does — I can only repeat what I said at the outset, which is that the Commission welcomes the thrust of these resolutions and also welcomes Parliament's support in trying to persuade the Council to accept our proposals.

IN THE CHAIR : MR ESTGEN

Vice-President

President. — The debate is closed.

*Vote*¹

Polish farmers and craftsmen

President. — The next item is the motion for a resolution (Doc. 1-1188/83), tabled by Mr Klepsch and others on behalf of the Group of the European People's Party (CD Group), on the programme of aid for Polish farmers and craftsmen in the private sector.

Mr Klepsch (PPE). — (*DE*) Mr President, on 19 May 1983 Parliament tabled a motion for a resolution on measures in aid of Poland which have still to take on concrete form. I would remind the House that as early as 1982 the Polish bishops started to prepare a programme of church aid in the Member States for

¹ See Annex I.

Klepsch

the private sector of the Polish economy, mainly agriculture and the craft industries in conjunction with the relevant Community organizations, in particular the Bishops' conferences. This is a humanitarian programme which also affects economic structures. Its economic objective which underlies the five initial pilot projects is to maintain and strengthen the independence of farmers and craftsmen.

There are two factors which we shall have to bear in mind. The first is the overall economic situation in Poland which urgently needs our assistance, while the second is the political objective of maintaining and reinforcing the potential for reform in Poland. I thus believe that this House should promote this objective and support the measures taken. I would remind Members not entirely familiar with the situation that such an undertaking can obviously only succeed if it is tolerated by the Polish Government. The essential thing is that we should not allow the pilot projects and the overall objectives to remain at the stage of last year's motion for a resolution, but that we should take positive action. I therefore call upon the House to vote in favour of the motion for a resolution.

Mr Gawronski (L). — *(IT)* Mr President, our group will be voting in favour of the two resolutions on Poland. We are in favour of the one relating to an aid programme for Polish farmers and craftsmen in the private sector because we have always asserted, even during the periods of harshest repression in Poland, that our condemnation of a régime does not mean that we must punish a people which continues to oppose a political system it did not choose, never wanted and had foisted on it from the outside by the Soviet Union. We are also in favour of the other resolution condemning the intensification of political repression, which has appeared just before the anniversary of the massacre 13 years ago of workers in Gdansk. Jaruzelski's régime has responded to the conciliatory proposals put forward by Walesa calling for the lifting of sanctions with a wave of arrests and a resolute refusal of dialogue with the opposition. Without such dialogue there can be no solution to the political and economic problems of Poland. Unfortunately, the Polish government prefers, or rather has been compelled by the Kremlin, to prefer control of the population to its welfare out of fear of the spectre of Solidarity. But Solidarity is alive and will continue to live on for many years until the Polish people regains the freedom it enjoyed in the 18 months of Solidarity.

Mr Richard, Member of the Commission. — Mr President, perhaps there are one or two words that I should say on behalf of the Commission in relation to this resolution.

We share the concern of the authors of this resolution about the development of the internal situation in Poland from the economic, as well as the political, point of view. Following Parliament's decision to set aside a sum of 14 million units of account in the supplementary budget of 24 October for humanitarian aid to Poland, the Commission has decided on the distribution of the first instalment of this aid by non-governmental organizations. These will have the important, and sometimes difficult, task of passing on Community aid to the organizations in Poland — the churches, charitable bodies, hospitals etc. — who will then distribute it to the most needy among the Polish population. The first instalment of 4m units of account will cover the period December 1983-January 1984. We hope that if we follow the same rate of distribution with some 2 million units of account a month, it will be possible to continue Community aid on the present basis until the middle of 1984.

The Commission is, of course, as in the past ready at any time to report to Parliament on the state of this aid programme, but since a new programme made possible by Parliament's decision of October has only just been got going, we think it would be a good idea to wait for the reports from the NGOs on the fulfilment of the first instalment before we report to Parliament on how things are going.

As for aid to the Polish private sector, particularly the private sector in agriculture, the Commission is aware of the ideas of the Polish episcopate. We are following with great interest the negotiations going on in Poland between representatives of the Church and the Government; negotiations which have various implications which are not yet altogether clear. For example, there is the problem of the draft law which has to be approved by the Polish Parliament before it will be possible to set up the foundation to be responsible for aid to the private sector. Altogether, this scheme of the Polish episcopate is an ambitious one, of a very different kind from our present programme of humanitarian aid and one for which no resources have been set aside within the Community at present. All Community institutions will have to examine this plan when it is finally agreed, in the light both of the situation inside Poland and of the budgetary situation in the Community itself. We shall then have to see whether it is possible and desirable for the Community to take part in this programme and to provide itself with the necessary funds.

Meanwhile the Community should continue, we think, to support the efforts of our aid organizations who are trying to make life a little less hard for the people of Poland today.

President. — The debate is closed.

*Vote¹**Steel industry*

President. — The next item is the motion for a resolution (Doc. 1-1205/83/rev.), tabled by Mr Wagner and others on behalf of the Socialist Group and Mr Konrad Schön and others on behalf of the Group of the European People's Party (CD Group), on urgent measures in the framework of the Community steel policy to avert a chaotic market situation and the acute threat to the Community's steel policy as a result of suicidal competition and a dramatic decline in the prices of steel flats and heavy steel sections. Mr Rogalla is co-author of this motion for a resolution.

Mr Beyer de Ryke (L). — (*FR*) On a point of order, Mr President. I apologize to you and to the Members for speaking but I see that time is running short. The fact is that first among the urgent resolutions we have a motion asking for the release of Nelson Mandela and Andrei Sakharov so that they can travel to Brussels on 13 January to receive honorary doctorates. If we do not get round to discussing this matter and approving the resolution, we might as well just tear it up, because otherwise we shall be dealing with it after the event. I should like to ask the House if it might not be possible to take this resolution and discuss it quickly, and perhaps not even have a debate, so that it can be dealt with before we run out of time.

President. — There are only two speakers down for the next motion for a resolution, Mr Beyer de Ryke. I am in fact going to propose to the House that we vote without debate on the other motions for resolutions.

Mr Glinne (S). — (*FR*) Mr President, ladies and gentlemen, I shall be extremely brief, because Parliament has already expressed its views on this extremely important question of the steel industry on very many occasions, but there is going to be a meeting of the Council of Ministers on 22 December next. The situation is getting worse, particularly as far as Community exports of steel products to the United States are concerned, and also, in particular, because of the increasing semi-suicidal competition between steel-producing companies.

Now, in view of the fact the European Commission submitted to the Council last November some proposals concerning a short-term steel industry policy, it is desirable that Parliament should ask that the restructuring of the European steel industry, which everyone admits is inevitable, should be accompanied by regional and social measures which may be implemented logically.

The text which has been put before us today proposes that we should take account of the traditional trade flows as well as the usual quotas for the various Member States.

The joint resolution further asks that the need to reinforce checks on production quantities should be recognized and, more particularly, that abuses consisting of stating that what is in reality first class steel is a substandard product.

Still on the topic of checks, the resolution insists that checks on sales of steel products manufactured in a Member State of the Community and ordered by Non-Member States should be accompanied by a genuine tightening-up of checks within the European Community, whilst the steelmakers themselves must observe considerably tighter discipline amongst themselves.

Finally, the resolution gives its full support to the Commission in the negotiations which it has entered upon with the government of the United States.

There is one topic which is not mentioned in this resolution but which has often been raised in previous resolutions, namely the question of a steel conference, a European steel conference including both sides of industry, steel producers and the Community and national authorities. I should like to draw the Assembly's attention to the fact that quite recently, in Saarbrücken, during a conference at which I spoke along with my colleague and friend Manfred Wagner, Mr Davignon replied favourably to this suggestion, provided that certain organizational conditions were fulfilled.

I should like to insist once again on the fact that the forthcoming meeting of the Council of Ministers on 22 December should not in any way call the usefulness of such a conference into question.

Regarding the amendments tabled by Mr Welsh, let me say that the Socialist Group, which always makes considerable efforts to meet opposing opinions half-way, is unfortunately not able to give its agreement.

Mr von Bismarck (PPE). — (*DE*) Mr President, ladies and gentlemen, despite the difficulties we have managed to reach a joint decision, each side having made a large number of concessions, as Mr Glinne has just pointed out. My group is quite prepared to accept the first motion by Mr Welsh, since this is only an addition to the text, but not the other two, as they would destroy the unity of the plan which we have worked out together. I would just like to add, to banish any uncertainty as to our overall approach, that the Government intervened to resolve its own national affairs because the truths revealed by the market proved unpleasant, and it therefore disregarded them for a long time instead of applying itself to them, taking the necessary consequences and acting on them in a determined manner, causing minimum harm to the workers. The problems would only have

¹ See Annex I.

von Bismarck

been rather irksome to overcome at that time, but they would still have been fairly insignificant compared with those confronting us now. There was no consistent effort to reach a decision: instead, the general public, governments and management took shelter beneath the protective wing of the State or maybe even forced the State to provide protection, with the result that we have taken a step backwards. To the detriment of the workers we have begun to subsidize the past. The reason why these methods are now being used is that they are provided for in the Treaty, which means that the Commission is entitled, indeed compelled, to apply them.

We want them to be used consistently, otherwise we shall not get out of the mess caused by using the funds to create a 'planned economy' situation. This would be a terrible blow to the large number of workers who can do absolutely nothing to help improve matters. We hope — rather desperately, perhaps — that the present measures succeed, but we appeal to all concerned — firms, workers, the Commission, the Member States and their representatives — to act consistently. Otherwise, this attempt to spur them into action will also prove ineffective.

Mr Richard, Member of the Commission. — Mr President, I am conscious of the fact that time is pressing. Therefore I think that the most sensible thing I can do is to go through the motion for a resolution paragraph by paragraph, because they pose severely practical questions and I will attempt to answer them in a practical way.

As far as the first paragraph in the resolution is concerned, within the framework of the decisions of the Commission of 29 June, aids that governments can accord to the steel industry corresponding to closure plans should be presented before the end of January 1984. This should, we think, accelerate the process of restructuring.

Regarding the traditional patterns of trade in steel products, the Commission envisages a stricter control as part of the packet of measures contemplated. In effect, the introduction of a Certificate of Accompaniment for all transactions between different countries should provide a control aimed at avoiding these trade pattern distortions. If the fixing of quotas for that part of the production destined for delivery inside the EEC implies a certain traditional apportionment of deliveries, the identification of the origin of the products with the aid of the Certificate of Accompaniment should avoid the deflections which can take place with indirect sales or importations from third countries.

On the second paragraph of the resolution, the Commission will pursue all legal possibilities with regard to the need for all undertakings to respect the regulations arising from the Treaty and the obligations imposed by the Commission's anti-crisis measures.

Therefore, the Commission, without prejudice to the measures set out in the ECSC Treaty, particularly in Articles 58 and 64, proposes to establish a system of deposits for the payment of fines intended to guarantee compliance with the obligations of firms resulting from the price regulations and the system of production quotas.

As far as paragraph 3 is concerned, the Commission has provided for the introduction of minimum prices — for deliveries as from 1 January 1984 — for hot and cold rolled uncoated flat products and for heavy sections, these products having suffered the most severe fall in price since the start of the second half of the year. The measure specifies precise arrangements for limiting the amount of non-prime material that can be sold and the maximum rebates that can be applied to the minimum prices. The combined effect of production quotas and minimum prices should result in an improved relationship between price and quantity.

The Document of Accompaniment — if I can deal with paragraph 4 — should include, as a mandatory requirement, the name of the producer in the case of Community steel products, while in the case of goods from third countries it should indicate the name of the country of origin, if the name of the producer is not available. The Document of Accompaniment should, understandably, accompany the goods until they are finally consumed.

As far as paragraph 5 is concerned, we are sensitive to this problem and we have started talks with certain third countries with a view to stopping the practice.

On paragraph 6, the draft decision establishing a system of deposits for the payment of fines provides that the undertakings have the option of arranging the deposits either by a transfer to a block bank account or by any other means approved by the Commission at their request. In this way we are endeavouring to ensure that the undertakings do not suffer from liquidity problems arising from the system of deposit.

It is clear that restructuring should be accompanied by measures for the regulation of the market. In this respect, dealing with paragraph 7, the Commission will ensure respect of the obligations which will result for the undertakings by utilizing the sanctions foreseen in the Treaty.

Since the system of quotas was established in October 1980, the Commission has cooperated with, and received the support of, the principal European producers within Eurofer. We consider the cooperation of the majority of producers as being an essential element in the efficient application of the system of quotas. We hope that Eurofer will be successful in arriving once more at an internal agreement.

As far as point 9 is concerned, in arrangements with the State-trading countries, the import levels provided for are broken down by Member State and by product

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category. In the case of market-economy countries, if there are particular problems, such as with Spain, sub-categories are foreseen, but the Commission concludes the arrangements on a global basis. Experience of recent years suggests that the quantities provided for in the arrangements, which are maintained for 1984 at the same level as 1983, will not be completely utilized and new measures of control will reinforce this tendency.

Finally, Mr President, paragraph 10. Since the time limit for consultation on special steels has been extended until 14 January 1984, the Commission intends to continue its discussions with the American authorities to try to obtain an acceptable solution. If, however, this is not possible before 15 January 1984, the Commission is authorized by the Council to pass on to the GATT the list of compensatory measures already adopted by the Council.

Mr President, I apologize for the aesthetic drawbacks of this speech, but it seemed to be more important that I should give the facts to the Parliament quickly than that I should make an elegant discourse.

President. — The debate is closed.

Vote 1

In view of the time I would suggest to the House that we now vote without debate on the motions for resolutions on human rights and on natural disasters.

Mr Wurtz (COM). — (FR) In view of the fact that it is six o'clock, Mr President I should like if I may to make another proposal. Since we have to run over time I suggest that we concentrate on human rights. If our colleagues on the opposite side of the Chamber rejected this proposal, even though it met with your approval, Mr President, I could only assume that they would be embarrassed by what might come out in such a debate.

President. — Parliament decided to hold a two-hour debate, Mr Wurtz. I am willing to extend the voting time a little, but not the debate.

Mr Croux (PPE). — (NL) As Mr de Ryke has already said, a motion has been tabled on human rights which is very urgent, since it concerns an event which is to take place on 13 January, and we cannot come back to it later. It is a Community text submitted by three groups, the Socialists, Liberals and Christian-Democrats. I feel that the Conservatives could also support it, and possibly other groups as well. No debate is required, since it is a joint text. I propose that it should be put to the vote without delay.

(Parliament agreed to the President's proposal)

¹ See Annex I.

MOTIONS FOR RESOLUTIONS 'HUMAN RIGHTS'

After the adoption of the resolution in Doc. 1-1204/83

Mr Alavanos (COM). — (GR) Mr President, I asked to speak on a legal matter before the voting, but I think that what I have to say is still valid. A president must protect the European Parliament from making a fool of itself. This motion is totally unwarranted and resembles the proposed motion on Agca's attempted murder of the Pope. In Italy, all the facts indicate that neither Agca nor the Bulgarians were involved in this attempted murder, and we should at least safeguard the basic reputation of the European Parliament. The motion rests on totally untenable interpretations...

President. — That was not a point of order, Mr Alavanos. There is nothing in the Rules of Procedure about untenable interpretations.

MOTIONS FOR RESOLUTIONS 'NATURAL DISASTERS'

After the adoption of the resolution in Doc. 1-1189/83

Mr Baillot (COM). — (FR) On a point of order, Mr President. If there was a short disagreement just now, it was because the way in which you conducted the vote was totally unacceptable.

You asked who was for or against the vote. The fact is that we did not say that we did not want to vote. We have shown here we are capable of assuming our responsibilities, whatever way we vote, but we are not afraid to vote. What we asked for was a vote but first we wanted a debate. If you were going to present things properly, you should have asked who was in favour of a vote without debate and who in favour of a vote with debate. I want to say again that the way you did things concealed the meaning of what we wanted. I wanted to state that clearly here.

President. — I agree that I was not explicit, Mr Baillot, but I defy you to find anyone in this Chamber who did not know what was going on. I thought the House was intelligent enough...

(Applause)

Mr Baillot (COM). — (FR) What matters is what goes down in the report of proceedings and what is published, because that is what people read. We have certain responsibilities *vis-à-vis* the voters, and that is what I wanted to say.

President. — I take note of your comments.

That concludes the topical and urgent debate.

6. *Votes*¹

IN THE CHAIR : MR BRUNO FRIEDRICH

Vice-President

KYRKOS REPORT (DOC. 1-768/83 'ERDF')

Paragraph 34 — Amendment No 1

Mr Harris (ED). — On a point of order, Mr President. Surely there must be somebody here from the Committee on Regional Policy and Regional Planning who can give us guidance on how the committee would like us to vote in respect of amendments. Is the chairman not here or a nominee of the rapporteur?

President. — Mr Harris, the report is to be voted on and the groups have given the relevant guidance so that each member knows how he should vote.

7. *ECSC levy rate for 1984*

President. — The next item is the report (Doc. 1-948/83), drawn up by Mr Newton Dunn on behalf of the Committee on Budgets, on the fixing of the ECSC levy rate and on the drawing up of the ECSC operating budget for 1984 (Doc. 1-650/83 — COM (83) 464 final).

Mr Newton Dunn (ED), rapporteur. — Mr President, I want to start by reminding those colleagues who are taking part in this debate and those who are listening that the Treaty of Paris, which set up the ECSC, does not oblige the High Authority — which is now, of course, called the Commission — to consult Parliament at all on this matter. But the Commission has done so in the past in order to consult us on the fixing of the annual rate of levy, and we continue to be grateful for that. The Council of Ministers, however, has no say at all in the ECSC budget, except — being a joint budgetary authority with ourselves for the Community's general budget — for the transfers made from our general budget to the ECSC budget.

This year the steel industry of our Community is still in deep crisis. The state of the crisis is fully described in the Commission's *aide-mémoire* which has been presented to us. I do not propose therefore to take up Parliament's time describing the crisis — it has already been done adequately for us. Instead I move straight to the details of the budget, the important details to which I wish to draw the attention of my colleagues.

First of all, the most important point is that the Committee on Budgets unanimously recommended that there be an unchanged levy rate this year on the

steel industry of 0.31 % and the Committee on Budgets' opinion is exactly as proposed by the Commission itself.

Secondly, colleagues will be aware that transfers were voted today from the Community's general budget to the ECSC budget.

Thirdly, the Committee on Budgets welcomes and indeed thanks the Commission for the early presentation, this year for the first time, of the draft ECSC budget to Parliament. This is particularly important and welcome to us, because it allows us to consider the Community's general budget and the ECSC budget at the same time. They are, of course, becoming increasingly interdependent and therefore our opinions on the one depend on our opinions on the other.

Now, I want to come to the requests which the Committee on Budgets recommended to Parliament to put to the Commission for future years in respect of this exercise. First of all, we should like the ECSC to be financed out of one general budget of the Community and not to have a separate ECSC budget. This seems to us particularly desirable because the share of ECSC that is financed from the general budget increases each year and this year will reach as much as 50 % : 50 % of ECSC spending this year will be financed by transfers from our general budget. Of course there would be a further advantage of having one general budget : borrowing operations of ECSC would be supported by the security with which borrowing is now carried out by the Community as a whole, and the ECSC would not need to accumulate the huge reserves which it now has to provide a security for its own borrowing. Those reserves could be released and help the coal and steel industries of our Community.

Next, we want customs duties to be included as the Communities' own resources. Colleagues may not be aware at the moment that all customs duties on coal and steel products go to the Member States and do not accrue to the Community. The Commission made a proposal on this as far back as 1978. The Council has never even discussed it.

The third point from the committee is that the borrowing and lending activities of ECSC must be described in far greater detail and in more genuine detail than they have been up till now. That would be a useful discipline, we suggest, for the Commission too.

Next request : Payments and commitments should be presented separately in the ECSC budget. At present, although the Treaty of Paris does not require it and the Court of Auditors have not requested it either, we believe that to enter separate appropriations — payments and commitments — would be a useful self-discipline for the Commission and it would also lend more transparency to the budget, and budgets should be transparent. The figures before us at the moment

¹ See Annex I.

Newton Dunn

are merely expectations of spending and tell us nothing about what is really going to happen. In the course of the year, therefore, we shall be watching the spending from this budget and shall be enquiring how it is being spent and asking for an account towards the end of the year.

Two final very short points. There are three draft amendments before Parliament on this report. I recommend the House to vote against them, because the committee was against them, inasmuch as they were discussed. Finally, if the Commission were school-boys — of course they are not but there is an analogy — I would, on behalf of the committee, give them very good marks for improvement in their presentation and speed of presentation to Parliament this year. But I would add that there is still much room for improvement in such matters as transparency and the other points I have made.

Mr Wurtz (COM). — *(FR)* Mr President, the French Communists and Allies have a twofold reason for opposing Mr Newton Dunn's document in the form in which he has just presented it.

First, Mr Newton Dunn's proposals are aimed — he said this himself — at integrating the ECSC budget into the Community budget, which was not laid down in the Treaties and which is in contradiction of the rule regarding the separate nature of the budgets.

In addition, if we were to follow the rapporteur along this road, the Member States which, as he also pointed out, at present levy customs duties on steel products which are imported from outside the Community would in future be deprived of these sources of finance. Now, our countries need that money if they are to reinforce their national policies regarding steel. So if we were to deprive them of this finance we should be doing the opposite of what we should be doing for this industrial sector, which is in difficulties.

My third remark does not concern the rapporteur's proposals, but rather an omission on his part. Permit me therefore to make good this omission. I am talking about the option recognized in the ECSC Treaty for all producer countries of coal to levy customs duties on coal imported from outside the Community. In practice, only the Federal Republic of Germany is authorized by the Commission to implement this provision, a provision, however, which is there, in black and white, in Article 72 of the ECSC Treaty. Our Amendment No 3 is designed to put an end to this anomaly.

Mr Richard, Member of the Commission. — Mr President, in its last year's resolution on the 1983 Coal and Steel Community levy-rate and budget, Parliament made a special point of asking the Commission, in its role as the High Authority on the Coal and Steel Community, to advance the date of presenting its

annual proposals on this subject in order to facilitate the work of Parliament, and in particular to allow them to be taken into account when the next year's general budget was given its first reading. I am glad to hear that we have been given at least moderately good marks by the rapporteur for what we have been able to do in that respect. I hope it has been a positive contribution to the work of Parliament.

The Commission's draft budgetary expenditure for 1984 amounts to 379 million units of account. The aims of this expenditure are dominated by the need to restructure both the steel and the coal industries, so that they can both take their proper place in the changing world market, and, in the case of coal, in the overall Community energy strategy. The relevance of the expenditure proposed in the draft budget is therefore clear. The purpose of collaborative research is to pool the efforts of the Community coal and steel industries to remain as competitive as possible. The importance of interest subsidies to encourage key investment, and in particular to stimulate the creation of new jobs when employment in coal and steel is declining, is just as evident. The sum of 124 million of the 379 million units of account in the draft budget is for these purposes.

The only remaining policy for which money is provided in the draft budget is that of social aid for the workers, accounting for 250 million units of account, or all the rest of our expenditure proposals apart from the administrative expenditure contribution of 5 million ECU paid into the general budget under Article 20 of the Merger Treaty. The importance of social payments in industries where employment is declining goes, I hope, without saying, and I do not need to argue the case for it in this House. The social expenditure plays a key role, not just in connection with the policies which lie behind the draft budget, but also in the financing proposals to which I shall turn in a moment.

First, however, I would indicate a small addendum to the expenditure side of the budget. Minor adjustments will need to be made when the Commission gives the budget its final shape to accommodate a grant of 6 million ECU for coking-coal aid. This is because on 4 November the Energy Council concluded that the only possible basis for continuing this scheme is that traditional basis including this 6 million ECU. A proposal to do this has now been laid before this House.

Turning now to income, traditional ECSC revenues, including the levy on coal and steel production at the present rate of 0.31%, will produce an estimated income of 209 million units of account in 1984. The Commission believes it would be inappropriate to increase the levy-rate in present economic circumstances, and I am glad to note that the rapporteur proposes in his draft resolution that Parliament should take the same view. It is this belief, shared by the Commission and the budgetary authority, which lies behind the practice since 1981 of transferring monies from the general budget to the budget of the ECSC.

Richard

The broad justification for these transfers lies in the recognition that failure to deal adequately at Community level with the problems in the coal and steel industries would prejudice more broadly the harmonious development of the Community economy, particularly by its aggravating effect on the general employment situation. Transfers of funds have been made over the past three years therefore to finance social aid for ex-steelworkers. This scheme, involving an aid of 212 million units of account, is now due to be extended for the period up to 1986 at an estimated cost of 330 million units of account. Parliament endorsed our proposal to do this in the Schön resolution adopted by this House last month. The Commission therefore now looks to the Council to take the necessary decision authorizing the extension, and this scheme accounts for 110 million ECU in the draft 1984 operational budget.

The increasing difficulties in the coal sector, which the Commission proposes to resolve in the framework of the new energy strategy, are allied to the success of the steel social support scheme. They have encouraged the Commission to put forward a parallel proposal for a general budget grant to help finance ECSCA's to the coal sector, which now also faces a period of active restructuring. During this period Coal and Steel Community social aid, as well as grants to encourage job-creating investment, to promote certain investments of importance to the industry itself and to foster research, will be an important, if not an essential, contribution to the process of adapting the coal industry in accordance with the Community's solid-fuel strategy, as a counterpart to its main coal proposals directly financed from the general budget. The Commission accordingly proposes that a special contribution estimated at 60 million units a year over three years be made to the Coal and Steel Community from line 7027 of the energy chapter to the general budget to help finance these aims.

We welcome Parliament's support for these proposals. We look now to the Council to take, as soon as possible, the decisions needed to authorize these special contributions, subject to the fixing of the annual amounts through the budget. The contributions of 110 million units of account for steel and 60 million units of account for coal complete the Commission's financing proposal for ECSC expenditure in 1984.

The Commission is glad that in its handling of the 1984 general budget, Parliament has taken a favourable view both of the proposal to continue general budget grants in aid of the steel social-support scheme and of the new coal proposal. Amendment No 537, accepted by the Council on second reading, has granted 62.5 million units in Chapter 100 for the steel scheme. It is an amount well below the 110 million

units which we proposed, but it is sufficient, we hope, to get the second stage of the scheme moving. Second reading Amendment No 167 re-enters in Chapter 100 the 60 million ECU contribution proposed in the preliminary draft in respect of coal restructuring but partly rejected by Council.

There is no doubt that successful pursuit of the policies financed through the Coal and Steel Community budget in 1984 is largely dependent on these sums being made available. As I have said, the onus is now firmly on the Council to authorize the transfer of the 122.5 million units of account involved.

In conclusion, may I make two points? One sometimes hears it suggested that the appearance of large subventions to the Coal and Steel Community from the general budget — indeed, one has heard it in this debate tonight — should be treated as a signal for dismantling the financial independence of the ECSC and for merging its financial operations into the general budget. My first point would be to say that this is not the Commission's view. Such an operation would entail re-writing the Treaty of Paris, and to embark on that would put in question many more Community activities than the operational budget.

My final point concerns Parliament's role. Both the annual procedure on the budget now in course and the special consideration this House has given to ECSC needs in its handling of the general budget demonstrate that the partnership which has evolved between the Commission as High Authority and this House in the management of ECSC affairs is working well. My hope is that, in the difficult period which still lies ahead for these two industries vital to the well-being of the Community, this valuable partnership will continue.

Mr Wurtz (COM). — (FR) Mr President, could the Commissioner confirm or deny the question I put concerning Article 72 because there is an amendment on this point? Is it true that Germany is the only Community country authorized to levy customs duty on the coal it imports and is it possible to put an end to this anomalous situation?

Mr Richard, Member of the Commission. — Mr President, I think that is right. One of the appropriate DGs in the Commission would have to be consulted before I could give a categorical answer to the honourable Member. If he would like to put a question down on it, of course we should answer it. Alternatively, if he would like to write to Commissioner Davignon or to me, no doubt either of us could give him the appropriate information.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

8. Refugees in developing countries

President. — The next item is the report (Doc. 1-929/83), drawn up by Mrs Dury on behalf of the Committee on Development and Cooperation, on assistance to refugees in developing countries.

Mrs Dury (S), rapporteur. — (FR) Mr President, the report which I have prepared at the initiative of the Committee on Development and Cooperation is, of course, concerned centrally with the tragedy, the anguish and the misery of mankind. The fact is that there are 11 million refugees in the world and approximately 5 million displaced persons. The majority of these people are to be found in developing countries, particularly in that continent of the damned, Africa.

My report deals solely with assistance and a policy for cooperation in the work of development within the framework of this refugee problem.

When this problem is mentioned it is generally divided into three stages: the emergency phase, the subsistence phase and the stage of settlement or resettlement. I should say that the emergency stage, which is perhaps the most dangerous or the most tragic from the human and political point of view, is perhaps not the most difficult to cope with. In fact, the media generally create a great deal of publicity for this problem and thus help to channel aid in its direction relatively rapidly and, as far as the Commission is concerned, relatively efficiently.

As regards the subsistence stage, which is the stage of temporary settlement, which often lasts quite a long time, the problems are much more numerous. There is first of all the problem of adaptation to a different and perhaps difficult environment, there is the problem of uncertainty and there is also the problem of what one might call the 'refugee syndrome', that is to say, the attitude of those persons who have been the recipients of aid and assistance for so long that they are no longer capable of coping on their own. Obviously, we must also mention the problems of the host countries, and there are various kinds of problems there. Let us also mention the disparities which may arise between the situation in some refugee camps and the situation of the indigenous population. It is a fact that there are some countries where the refugee camps are the cause of a kind of revolt, since the indigenous population have the impression that the refugees are getting better treatment than they do themselves.

There is also the problem of development in these refugees' host countries, which have to watch their resources being channelled in the direction of the refugee camps when they themselves are already faced with many difficulties. There is also the problem — this has no role in my report — of the safety of the refugees. The UN is having to devote considerable attention to this matter at present because many

refugee camps suffer raids and attacks in some countries. This problem, even if we ought to examine it in another context, should be a cause of concern for us.

During the settlement or resettlement stage, the difficulties are also numerous because the right political conditions must first of all be satisfied. In general, there are three solutions: either to send the refugees back to their countries of origin, to settle them in a host country which is prepared to accept refugees, or to settle them permanently in their first host country.

Mr President, in my report I have stated in detail which bodies are involved at present in aiding refugees. I think that everyone can refer to the report and there is no need for me to set them out again here. We know the work they are doing and I think that we must pay homage to them. I have also drawn up a balance sheet of Community aid, which is included in this report.

Coming back again to this division into the emergency stage, the subsistence stage and the settlement stage, I should say that during the emergency stage we are swift and efficient in our provision of aid; nevertheless this emergency aid lasts for six months. The difficulty comes afterwards, when some organizations, such as the United Nations High Commission for Refugees and certain non-governmental organizations, find themselves faced with difficulties when the refugees are obliged to stay in the countries which have 'welcomed' them. Of course, we have instruments to deal with these problems, particularly aid to non-governmental organization projects, aid to non-associated countries and aid under the terms of the Lomé Convention. In the European Development Fund's indicative programme, aid for refugees is provided for. Nevertheless, at present only one project has been accepted and decided on in favour of refugees. There is therefore a problem. As for the settlement or resettlement stage, of course, there is emergency food aid and we have the same instruments which I have already mentioned in the case of the subsistence stage.

In this report, therefore, I am calling for an overall policy with regard to the problem of refugees along the following lines: first of all, we should attempt in the projects which we support and in the measures which we decide on to promote self-sufficiency in refugee camps. I think that is absolutely essential. We have spoken of the situation in which refugees in these camps find themselves who no longer have the ability to live their lives and develop their potential in dignity. I think that we should not only guarantee self-subsistence but also prepare refugees for settlement or resettlement by means of three types of project: aid for food production, aid for education and professional training, and support for measures in the field of health. What we should do is not provide technical equipment from our countries but rather promote health education.

Dury

I have proposed a certain number of instruments. I regret that we did not vote a short while ago in favour of additional aid for specialized bodies such as UNRWA. On the other hand, we did vote in favour of a new budgetary line, line No 936, which should promote a certain number of projects and new measures by the Community inspired by the aims which I have just set out. Finally, I propose that under the forthcoming Lomé convention we should aim to include in the European Development Fund's indicative programmes projects in favour of refugees which, like the regional projects, will be outside the national quotas. I believe that if there have been hindrances, if there have been delays, if the countries which belong to the Lomé convention have not asked for projects in favour of refugees, this is because what they were doing for refugees they were not doing for the citizens of their own countries. I do not think that this is a question of unwillingness, but of the conditions prevailing in the developing or underdeveloped countries.

I shall say by way of conclusion, Mr President, that the refugee problem is first and foremost a political and a human problem. In point 1 of my resolution I insist that Europe, the foreign ministers and the Community should face up to their political responsibilities in this respect. We often call, in our political reports, for a European attitude with regard to conflicts which are taking place in the world: I think that a genuine policy for refugees would be first and foremost a European one. Secondly, just as the ambulance man comes after the accident, so a policy of cooperation and development in favour of refugees should come next.

Mr Bersani (PPE). — *(IT)* Mr President, ladies and gentlemen, our thanks should go to the Committee on Development and Cooperation and more especially to the rapporteur, who was also the instigator of this report. The latter deals with a problem which is extremely important for the human and political viewpoints, as Mrs Dury so rightly emphasized.

In our relations with the African, Asian and Caribbean countries, we have had numerous opportunities of experiencing at first hand the dramatic plight of this enormous mass of refugees and displaced persons, 16 million of them and perhaps more, subsisting in conditions which are frequently less than human. We must now look at what we have managed to do and see what improvements we could make. My group is in full agreement with the proposals put forward by the rapporteur.

The problem is to organize the various actions so far undertaken to provide aid, into an initial active, coordination phase within a more systematic, comprehensive and clearly defined framework. From this point of view, I think that by approving a specific line of credit

this morning, we took a first step, the cautiousness of which was dictated moreover by the difficulties we are presently facing. We believe that a more systematic and comprehensive overall policy in this sector is very important for the image and very logic of our political cooperation policy, which is surely one of the Community's most significant.

Of the various problems facing us, the political ones are certainly the main ones. I would like to draw your attention, Mr Pisani, to the dramatic situation in the Horn of Africa, where over a million refugees are living in really critical conditions, even though the tripartite agreement between Djibouti, the UNHCR and Ethiopia has to some extent been applied. A delegation of ours recently visited refugee camps in Somalia, Ethiopia and elsewhere, and gained an awareness of the political and economic implications which such a huge mass of refugees may have on such a sensitive region.

We must definitely persevere and gradually develop a policy which is more clearly defined, more effective and also administratively more in keeping with the many requirements of the various aid and cooperation phases in this sector.

Mrs Caretoni Romagnoli (COM). — *(IT)* Mr President, I am taking the floor very briefly simply to say that we are in agreement with Mrs Dury's report and would like to thank her for the work she has done. The report is very timely and deals with one of the most burning topics of our time.

I am just back from Somalia where once again I visited refugee camps, and I agree with Mrs Dury when she says that the relationship between refugees and host countries and the problem of subsistence and self-sufficiency are the two basic points on which everything hinges. I also agree with her when she says that the solution to these problems can only be political, involving an easing of tensions and a return to peace. Nevertheless I would also like to be quite frank, as there is no point in soothing ourselves with words, and say that things being what they are, we will probably be forced to live with this situation for a long time to come. As Mrs Dury so rightly points out, we cannot look on the situation as if it were an accident, a great disaster which has befallen us, requiring us simply to roll up our sleeves and set to work. No, we must make provision for a whole series of actions extending over a long time, because that is the fact of the matter. The situation arises not only from all the factors we are aware of, and you need only think of Lebanon for example, but also from the fact that there are border problems in Africa too. So the basic problem is there and with time it may come to the fore. Once we have faced up to the problem, we must come to a realization that it is not just a matter of circumstances but will require a lot of time and a lot of effort to solve.

Carettoni Romagnoli

I know how strongly you feel about the problem, Mr Pisani, and I would like to say that in my opinion an enduring, serious and committed effort of the sort recommended by Mrs Dury and advocated in many of the documents she quotes, would certainly be of value to those in need, to refugees and host countries who are confronted by very different problems. It may also be useful in other ways as an objective contribution to *détente* and peace, by providing these people with improved living conditions, better education and training, and enhancing their capacity to face the problems of living. May I say once more, it would be a contribution to better understanding and peace.

I would therefore like to thank Mrs Dury once again, and the Commission for what it intends doing. Above all, may I remind them that it is a long-term task which cannot be ignored.

Mr Alavanos (COM). — (GR) Mr President, we also agree with most of Mr Dury's report. In Greece we have had direct experience of the refugee problem. Until only recently, there were tens of thousands of Greek refugees, which created problems which have not yet been completely solved.

As regards this interesting and positive report, I only want to say that we must realize that, in practice, aid for the developing nations, especially in connection with the refugee problem, is very often bound up with the Community's own political interests and aims. This rather casts doubt on the purity of the Community's motives. I believe that the Community should provide aid out of duty, not charity, because, in most cases at least, the responsibility for the refugee problem lies with the governments of the major powers, including those of the Member States of the Community. Does the fact that there are 200 000 Greek-Cypriot refugees in Cyprus today have no connection with the British Government's entire policy in Cyprus? Does the fact that there are Palestinian refugees have no connection with the European governments' policy in the Middle East? Do these governments, e.g. the French Government — although not the present government — have no connection with the Vietnamese refugees, when we consider their overall policy in Vietnam, i.e. the fact that they have helped to create a lifestyle for a certain section of the population which cannot possibly live under the present conditions prevailing in Vietnam as an independent state?

I therefore believe it important for measures to be taken to limit these policies of expediency as much as possible. We believe that Article 5 is important since it does, to some extent, associate Community aid for refugees with the activities of the United Nations.

Mr Pisani, Member of the Commission. — (FR) As everybody will be grateful to me for being brief, I shall be brief.

This is a serious problem, a political problem, and a structural problem too, because of the population disequilibria. This is a problem we shall have to deal with at length: a problem we shall have to tackle as such and, in this respect, the Commission is very grateful to the Parliament, both for Mrs Dury's report and for the debate which has just taken place, because the essence of the matter has been stated.

I simply want to say that in response to the Development Committee's report the Commission of the Communities will prepare in a few months' time a document setting out a consistent policy with regard to refugees. But without waiting until that happens, the Commission will attempt to see, with the agreement of the Council of Ministers, that more positive items than those that exist at present are included in the forthcoming ACP-EEC agreement.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

(The sitting was suspended at 8.05 p.m. and resumed at 9.15 p.m.)

IN THE CHAIR : MR LALOR*Vice-President***9. Tourism**

President. — The next item is the report by Mrs Viehoff, on behalf of the Committee on Youth, Culture, Education, Information and Sport, on Community policy on tourism (Doc. 816/83).

Mrs Viehoff (S), rapporteur. — (NL) Mr President, it is always extremely gratifying to see the Chamber so full when one presents one's report. I would really need an hour to discuss tourism, and some people would even be able to talk about it all day or all week. I have five minutes. I shall try to keep to the time allotted to me, although this will impose constraints, and I suppose I shall be unable to touch upon numerous items dealt with in the report.

The growth of tourism in the twenty-five years since the Community's inception has been so rapid that it has become one of the most important sectors of the economy. 150 million people go on holiday every year, 20 million are employed directly or indirectly in the tourist industry, and travel accounts for 8% of private spending. Regions are being permanently altered, and this is in the interest of whole population groups, it has social consequences and influences the natural and the social environments. It is amazing, in fact, that tourism, now such an international and well-established industry, has so far not been the subject of any real Community policy.

Viehoff

Hitherto, only certain aspects of tourism have been dealt with, and it is only now that tourism is being considered as a whole, with all its implications for man and his environment. There are many types of tourism and a variety of reasons why people go on holiday. Relaxation is the main one, and with this goes a desire for sun, sea and the natural environment. It is not surprising, therefore, that in the peak summer period there is a migration from north to south, resulting in concentrations of people at certain times and in certain places. Clearly, this has less pleasant implications both for tourists and for workers in the tourist industry, not to mention local populations. There is often no genuine contact between tourists and local inhabitants. The tourist finds himself in a fairy-tale world and regards the local population as rather quaint and 'folksy'. In view of Parliament's efforts to bring nations closer together and become aware of each other's cultures, such attitudes should not be encouraged.

One of the ways to improve the situation would be to make tourism less seasonal for example by staggering holidays, making it possible for the elderly to go on holiday at off-peak periods, as well as encouraging tourists to travel over a wider area by opening new regions, especially in poor areas.

The Commission could prepare pilot projects or support existing plans to promote social, cultural and rural tourism. Rural tourism in particular should be promoted, and protection should be provided for historically important buildings, town centres and villages, as well as craft industries, but these should all be integrated in the plans to be drawn up. This kind of tourism is more likely to result in integration than the mass movement of people. This type of scheme could be financed in part out of the funds which the Commission intends to make available for the Mediterranean regions — here I am referring to Commission document No 24 final, in particular Article 18, concerning forestry for the re-establishment of nature parks, Article 24, which provides support for craft industries, and Article 26, on rural tourism.

Resources for the other Community regions should be made available from the Regional and Social Fund. Mr President, I have possibly concentrated rather heavily on rural tourism because this provides an opportunity of creating permanent jobs in poorer areas and can meet the demand for shorter holidays. This is an important question nowadays, because although people still want to go on holiday they have less money to spend, and because it provides an opportunity to protect and maintain our architectural and cultural heritage.

The motion for a resolution deals with many topics which I cannot discuss in the five minutes allotted to me. I assume that some people who will be commenting on the report will be going into details, but there are a number of points which I would like

to touch upon very briefly, namely the protection of tourists at all levels, concern for workers in the tourist industry, freedom for all citizens to travel wherever they wish without restrictions, the promotion of social tourism and the important social and environmental aspects of mass tourism, on which I feel action ought to be taken.

Tourism is a complex subject, and this is borne out by the fact that six committees have delivered opinions on it. I am grateful to the rapporteurs for their contributions and hope that the main points of their opinions are reflected in the motion for a resolution. I think this must be the case, since the only two committees whose opinions came too late for inclusion in the report and the motion for a resolution, that is the Legal Affairs Committee and the Committee on the Environment, Public Health and Consumer Protection have tabled an amendment, but I think that the others must be satisfied, otherwise they would also have tabled amendments. That is my main hope. I also hope that the Commission and Council will act as quickly as possible in taking positive action to meet the wishes expressed in our motion for a resolution.

Mr Turner (ED), draftsman of the opinion of the Legal Affairs Committee. — Mr President, I am very glad that Mrs Viehoff and I agree on all this, except on one thing. She says that the Legal Affairs Committee was late. We were not actually. We got all our views through to her and, and indeed, into her own original resolution, except for one thing, which — although I visited her committee and spoke to her in Brunswick — slipped out, and so we put in an amendment.

The Legal Affairs Committee has dealt with two issues. The first one is the legal basis for funding, because we were very conscious of the fact that there is no tourism money outside development areas in the EEC despite the fact that tourism is quite clearly part of the Treaty of Rome, not only for economic reasons but also for social and cultural reasons. So, first of all I would like to deal with that point.

Two years ago, the Hahn report on the architectural heritage laid the legal basis for a fund for historic buildings which is now being used. It was in lines 6702 and 6704 of the budget last year and it is being used again this year. We decided in the Legal Affairs Committee to advise the committee concerned how to make sure that there would be a legal basis for the whole of a tourism policy in future, and we did that as follows. First of all, cultural events — exhibitions, concerts, theatres, festivals and all that sort of thing — and the sites where they take place should be covered. Secondly, environmental tourism — areas of natural beauty, bird reserves and all kinds of places where people go to see flora and fauna — should also be provided for. Lastly, there should be provision for sports and youth, i.e., sites for sporting events, teams

Turner

and young people playing games and having competitions in surroundings specially built for them. I am glad to say that the basis for this is now to be found in paragraph 16 of the motion for a resolution, which calls for funds for 'social, cultural (including art, music and sport) and rural tourism in particular', and paragraph 19, which calls on the Commission 'to provide a special budget entry for direct measures on behalf of tourism and to enter appropriations for this in future budgets'.

If we adopt this tomorrow, it means that we shall have the legal basis for a tourism fund though we have had no decision on tourism as a policy of the EEC in general. We shall have got tourism into the EEC through the back door. Though there has been an informal Committee on Tourism in this Parliament for some four years now and we were very anxious to get tourism into the EEC, we failed to get it through the front door, although we have a Commissioner who is responsible for it. Now we are trying the back door. If these resolutions are adopted tomorrow, the Commission will be legally supported if it — or we, for that matter — add lines in the next budget on these aspects of tourism.

The second point which the Legal Affairs Committee dealt with is a much more difficult one, that of freedom of movement of persons. It is a fact that so far the EEC has not clearly decided that there is a right of freedom of movement of persons other than for economic purposes. You can go to work to one country or another but you cannot necessarily — it is not clear yet from any cases that have been decided — go for pleasure from one country to another. The Legal Affairs Committee came out quite clearly on this and said that that is absolutely not the case. We stated unequivocally that there is free movement of persons from EEC countries throughout the EEC for non-economic purposes, and that, of course, means tourism. You will find that in paragraphs 2 and 3 of the opinion of the Legal Affairs Committee.

Now the problems are these. At external frontiers we shall always have to have examination of everybody entering. At any airport, seaport or land frontier with a third country, clearly there must be passport controls and checking of all persons coming in, because they may come from anywhere in the world. But, what we said was, so far as internal frontiers are concerned — and that means land frontiers between two Member States of the EEC — there is no reason now at all why there should be any checking whatsoever of persons crossing the frontier for the following reasons.

First of all — and of course the customs officers and various other officials do try to say that they need to have checks on internal frontiers — there is a very strong body of opinion amongst the bureaucracies of the ten countries that there should be internal checks. The first thing they raise, of course, is crime. Now, the

police in each of the ten countries are already free to stop people whom they suspect of a crime anywhere in their country, at the frontier or inside, and there is no reason at all why they should have a routine check on all persons crossing an internal frontier. So, crime is no excuse and no reason for having routine checks.

Secondly, there is the question of migrant workers, It is said we have to be able to keep out migrant workers who are entitled to work in one EEC country and not in another. We decided, quite firmly, that is also not a good excuse because migrant workers should properly be checked at their place of work or at their residence.

Thirdly, there are tourists from third countries. Supposing an American tourist lands in Germany and then crosses an internal frontier into France: the French may say they want to keep out this American who came from Germany. We say 'no' again. We should admit straight away that any Member State of the EEC should accept without question any third-country tourist who has been accepted already into another EEC country.

So we say there is no good reason for having checks on internal frontiers at all. It is for this reason that the Legal Affairs Committee has put in an amendment to strengthen slightly paragraph 15 — and I am very glad to say that Mrs Viehoff agrees to this, because it was what we discussed when I attended her committee.

I would say one final thing. That is on paragraph 22. This welcomes European passports. It may be that a European passport — which, of course, will have one's own nationality in it, exactly as it is now, but will also say 'Europe' on top — will allow one to cross very quickly from one country to another, because we know the new European passport is going to be computerized. It will be like a credit card: you push it in as you go through the frontier, rather than being checked by a customs officer. The British Foreign Office, for instance, is very keen on this. I myself have grave reservations about the idea of a computerized passport system. It means that from then on every single movement by every single citizen of the EEC will be checked by computer from country to country, and I believe that that is not what we want in the EEC.

And so I would add a private warning — this is not from the Legal Affairs Committee — that the idea of easier crossing of frontiers through a quicker checking system is not what we want to demand. We want to demand the right of free entry across internal frontiers.

Mrs Péry (S). — (FR) The right to relaxation, sunshine, knowledge and travel is a fundamental one now that we are approaching the end of the twentieth century and tourism — a truly civilizing force — is expanding and flourishing.

Péry

150 million Europeans go on holiday and travel, and this mobility cannot but foster mutual understanding and a better appreciation of other people's culture and way of life.

This has resulted in the creation of what has become a real tourist industry which, in the Community, directly employs 4 million people and, indirectly, provides jobs for a further 20 million. Tourism is of tremendous economic significance, and there is accordingly a strong case for a Community policy financed by the ERDF, the EAGGF and the Social Fund, to back up the efforts of the Member States in this sector. However, we must not go about developing tourism blindly, and I should like at this point in my address to congratulate Mrs Viehoff on the very interesting suggestions which she has made in her report.

I should first of all like to point out that it was only with the introduction of paid holidays and the rise in the standard of living that mass tourism developed.

At the same time, new policies for the elderly and young people, such as skiing and swimming classes, hold promise of the rapid expansion of a new type of tourism, which should involve new regions and particularly rural areas.

The fact remains that 50 % of Europeans do not take a holiday. The Community policy should help them to do so, by obtaining reduced prices in hotels which could be given tax concessions, and expanding subsidized tourism providing facilities for camping, accommodation in the country and cheap fares.

When the Committee for Culture was discussing this subject, one of our major concerns was the protection of tourists, and it was emphasized that they should have freedom of movement and be made aware of their rights, and that consumers' interests should be safeguarded.

All this is necessary, but I should like to give another point of view and say a few words on behalf of the tourist areas which all have the same problems: overcrowding during the season, arduous working conditions, an inflated cost of living, under-industrialization, the departure of young people, the proliferation of second homes at the expense of permanent residences and a decline in the natural and socio-cultural environment.

I am grateful to Mrs Viehoff for having taken all these aspects into consideration. In my area, Aquitaine, a fifth of the tourists are foreigners: 28% are German, 24% British, 15% Belgian and 10% Dutch. This tourism provides 20 000 permanent and seasonal jobs, and accordingly makes a significant contribution to the economy. However, it continues to be a secondary activity which cannot be expanded at the expense of other sectors of the economy which generate permanent jobs. To sum up, Mr President, the Community must, as Mrs Viehoff has urged, ensure that the expan-

sion of tourism safeguards the interests of both tourists and the inhabitants of tourist areas. As usual, harmony can only be achieved by means of balance.

Mr Marck (PE). — (NL) Mr President, I would like to begin by congratulating Mrs Viehoff on her report. We in the Committee on Youth, Culture, Education, Information and Sport discussed the report in detail, and I think we achieved a large measure of agreement. I also regard the Commission's efforts to work out a policy on tourism as highly significant, since tourism is undoubtedly a field in which a new European policy can be applied. I would thus like to mention just one or two points to which my group wishes to draw attention.

The first question of concern to us is that of social tourism. I am aware that this is not a very widespread phenomenon in all countries, but I believe it provides an important opportunity, for the lower income groups in particular to take advantage of the tourism boom. Here I am thinking mainly of large families, the elderly and disabled. The staggering of professional and school holidays, cheap all-inclusive holidays and support for family hotel businesses are ideas which are not practised sufficiently at present.

Secondly, tourism should be placed primarily in the hands of small and medium-sized firms, which are far better equipped to cater for the tourist's personal needs and can make better use of local resources. Rather than encourage mass tourism through large luxury hotels, we — and this obviously includes the Commission — should be thinking more in terms of small and medium-sized firms.

Thirdly, our group would like to see the introduction of Community rules on travel agencies. This would be in the interests both of the agencies themselves, since they would be protected against fraud and abuses in a competitive situation which could ultimately jeopardize the activities of any serious travel agency, and in the interests of all those involved in tourism, including tourist industry workers. I feel that the Commission has possibly not shown sufficient realism in this field and may have neglected certain needs.

Lastly — and this should come as no surprise, since I am a member of the Committee on Agriculture — my group would like greater attention to be paid to the promotion of rural tourism. The reason for this is not merely that this would provide an additional source of income for farmers, but primarily because it would allow urban and rural areas to be better attuned one to another. But this problem should be approached with due caution to avoid excessive disruption of agricultural structures and damage to the natural environment caused by excessively commercial projects. Rural tourism will provide more jobs, easier access to the countryside and greater equality in administrative, cultural and economic facilities and services. Those, Mr President, were the points to

Marck

which I wanted to draw attention with regard to the tourism policy. We would like to see this implemented as soon as possible, since it may ultimately serve to fulfil the objectives outlined in the budget under discussion today.

(Applause)

Mr Hutton (ED). — Mr President, as you will be aware, this Parliament does not talk about tourism very much. I think my colleagues would join me in regretting that the Commissioner with responsibility for tourism has not found himself able to come here to listen to what the Members of this Parliament have to say on his particular subject tonight.

All of the Members who have spoken have made it quite clear how important tourism is in many areas. I know that in particular — and perhaps I could take up here where Mr Marck left off — tourism affects the less-favoured areas. I drafted the opinion of the Committee on Regional Policy and Regional Planning on this report, and we paid particular attention to this problem. One of the very great difficulties of rural areas is holding the population there. You will have heard your own countrymen speaking of this problem before. Particularly as agricultural output comes under increasing pressure, people who rely upon a living in rural areas will need to diversify their activities. One of the ways in which they can do this is through tourism.

The Regional Committee's opinion asked the Commission to increase the amount available for encouraging farm tourism, and we are delighted to see that in the Commission's latest proposal on agricultural structures, this they have done. One of the problems that has arisen under existing regulations in Directive 268 is that the procedures for applying for this money are so complicated that there has been a very low take-up, and therefore the measure is as good as useless if farmers are going to be so baffled by it that they are put right off: it might as well not exist. May I urgently appeal to Commissioner Pisani to carry back to his colleagues the need to simplify the rules for applying for farm tourism grants so that more farmers can take them up. May I here add that it is to our shame that my own Member State does not apply the provision which allows farmers to take this up.

There is also the problem that those areas that are not eligible for European Regional Development, Fund assistance or for less-favoured-area grants really cannot be helped by the existing mechanisms in the Community. I know my colleague, Mr Provan, would have drawn your attention to the difficulties of promoting tourism in Ballater and Royal Deeside if he had been able to put these points himself. I know there are many more attractive areas in the south of Scotland which share the same problem, and it is one which I

hope that the Commission will address itself to. Confining tourism to these areas alone is not going to help even the very places where it can do most good.

Mr Abens (S). — *(FR)* Mr President, ladies and gentlemen, I only wish to draw attention to one or two points which are mentioned in the report and which I feel are particularly important.

First and foremost, I should like to say that I am in agreement with the main objectives of a Community tourism policy which have been presented in a masterly fashion by Mrs Viehoff.

In my view, our main concern should be to help the most deprived sections of the population to exercise their right to relaxation and leisure. I am thinking first and foremost of young people, the elderly and disabled, the unemployed and those with very little money to spend on tourism. Let us not forget that 50% of the population of the Community do not go away during their holidays. There is accordingly a need for Community action to foster subsidized tourism, travel for young people and special tours for the elderly, as previous speakers have already stressed.

A second aim of a Community tourism policy should be to remove the barriers to tourism and to draw the attention of all members of the Community to the many different cultures which exist in Europe. There are still too many checks at internal frontiers in the Community, and the documents used by tourists on holiday differ too much in many respects. This applies, for instance, to insurance and social security documents and so on, which make it extremely difficult for tourists to reclaim expenditure they have incurred in other Community countries. We should also increase the allowances for gifts and souvenirs which tourists may purchase on holiday inside the Community.

To conclude, there is one aspect which I feel particularly strongly about and that is the cultural aspect. Europe not only has magnificent scenery, it also has an exceptionally rich cultural heritage. Tourism should give an increasing number of Europeans an opportunity to become acquainted with the cultural heritage of the different countries and regions of the Community, and I feel sure that our people are very anxious to see the historic and artistic treasures of other Community countries. If I can take just one example, Mr President, in my own town of Vianden, we have restored a fortress. This was a great success with tourists even before the work was completed, and last year there were more than 250 000 visitors. This is why the Community must provide aid for the restoration of historic buildings — as it apparently already does — and other examples of the cultural heritage of our countries.

(Applause)

Mr Antoniozzi (PPE). — *(IT)* Mr President, I should like to say a few words on this proposed resolution which in my view reflects one of the most interesting developments which Europe has seen in the past 30 years.

Tourism was virtually non-existent in the 1950s and it has been the only sector combining a number of facets: economic, cultural, social, currency and so on, which has expanded at a rate of 1 500%, thus creating new conditions. This explains why the 1950 Treaties contain no mention of this activity or sector. It also explains why a group of Members of the European Parliament have now asked for a more concrete approach to tourism and for close attention to be paid to the sector.

One reason why I would ask the European Parliament to vote in favour of this resolution is that, while other sectors such as agriculture and industry have seen a decline and recession, tourism has created over 20 million jobs in the past 30 years and has become an expansionary sector, offsetting the adverse conditions pertaining in other sectors.

We are accordingly urging that tourism play a more prominent part in future Community policies, first and foremost because of the employment prospects which it offers for young people. With the reduction of working hours in other sectors, tourism may create a major and more comprehensive source of jobs geared to the needs of young job-seekers.

Mrs Van Hemeldonck (S). — *(NL)* Mr President, I would like to make three comments on this excellent and very well documented report by Mrs Viehoff. The first relates to tourism as a sector providing employment, the second concerns tourism from the point of view of the consumer, and the third touches on environmental aspects.

Tourism is a completely separate sector of employment which to my mind does not provide adequate protection for its workers. A special regulation is clearly needed since working hours in the tourist industry are very long and there is a great deal of seasonal work. Moreover, the rules applying to the catering sector are very often unclear, and auxiliary and seasonal workers etc. are frequently exploited. This is a point which I would like to draw to the attention of the Committee on Social Affairs.

The second important question is consumer protection. Consumers, especially in the low income groups, must be protected against the abuses perpetrated by package deal operators. They are often unaware of their rights, which are in any case unclear, for instance in cases where the service provided is inadequate. Then there is the question to which Mr Marck has already referred, namely quality standards for holiday accommodation. Quality standards and classification groupings exist for hotels and boarding

houses, but these are applied far less to the cheaper hotels and to socially assisted travel.

Tourism among the young should also be included here. It is very important to make an enormous effort at European level with a view, among other things, to modernizing youth hostels and bringing them closer to town centres.

Finally, with regard to the environment, I would emphasize that the Committee on Youth, Culture, Education, Information and Sport has been concerned with the expansion, involving extensive capital outlay, of a type of industry of specific relevance to tourism, in particular in coastal areas.

Mrs Gaiotti De Biase (PPE). — *(IT)* Mr President, it has already been mentioned that this sector belongs to the new service sector, with its promise of expansion. It reflects a new demand for goods which are not strictly material, which symbolizes a trend in the market and economy of our countries. However tourism is a prime example of a market which cannot be controlled at national level. The members of the Committee on Youth and Culture have previously had occasion to discuss these new sectors which, while forming an integral part of the economy, have to be regarded in a new light because they also reflect cultural trends. Tourism is the classic example and its economic impact has already been mentioned. In the region which I represent in the European Parliament, the Veneto, tourism accounts for 20% of our revenue, covering as it does seaside and mountain resorts, cultural events, spas and so on.

This first communication from the Commission to the Council is the first concrete indication we have had of the Commission's intention to involve itself in this area. In what areas is this intention going to be translated into action? The first has already been mentioned: the abolition of frontiers, the end of barriers, and the ever-more-distant, but for us the ever more necessary, prospect of a single European passport. The second, which my group and we Members of the European Parliament have attempted to put forward in the Viehoff resolution is the use of the ECU for payments in the tourism sector. Currency problems are one of the factors which restrict tourism. The ECU is a currency which is acquiring ever-increasing importance which goes above and beyond the excessively weak Community monetary policy.

This is one of the typical sectors in which the expansion of the role of the ECU must be encouraged. Thirdly, as my colleague, Mr Marck, pointed out, we must establish common standards and provide backing for small and medium-sized businesses and vocational training and, something of paramount importance in this sector, we must do more to guarantee the free movement of workers, who in this sector are for the most part employed on a seasonal basis.

Gaiotti De Biase

All this should of course help to ensure both Community and national support for specific aspects of tourism which require more specialized social action. Reference has already been made to tourism for young people and tourism for the elderly. I should like to draw attention to the tourism attracted by spas and health treatments which is of significant value to the sector. Health, a desire to alleviate the monotony of the everyday lives of the old, and cultural factors often play a very important part here, and the same applies to tourism in rural areas.

I think that we who spend our lives in airports and hotels are better qualified than anybody to comment on tourism, even though we do not travel for pleasure. I think it is desirable to expand Community tourism significantly so that, when we do eventually have one seat for the European Parliament, the cities of Europe will not suffer because we need to travel less.

(Applause)

Mr Harris (ED). — Mr President, like most other Members who have spoken in this debate, I represent a tourist area. I feel that everyone agrees on the importance of the tourist industry. However, the difficulty which the rapporteur has faced in her report — and I congratulate her on it — and the difficulty the Commission has faced in drawing up its documents is that although we accept the importance of this industry, it is sometimes difficult to see where the Commission and the European concept fit in. We are talking about a huge industry. It is rather like a jelly: we accept that it is big, it is important, but where do we fit into it? I think this comes through in the report.

Dare I suggest that, whether we like it or not, most of the decisions on tourism are not going to be taken in the European Parliament, they are not going to be taken in the Commission, they are not going to be taken in the Council of Ministers, they are going to be taken in the individual resorts and in the individual regions which make up the holiday areas? And I think our job is to make their job as easy as possible.

I believe, therefore, that we should concentrate — as always in this place, but we do not always do it — on those areas that are within our competence. Certainly we should pay attention to trying to break down the barriers to travel, give decent health cover to tourists, whichever country they may be holidaying in, and improve standards on a European basis, be they for reciprocal recognition of training and qualifications or perhaps even, as was suggested by the previous speaker, the standards set by travel agencies. In the end, however, it comes down to finance, and here I would heartily endorse some of the points made in the report. Our job here basically is to ensure that tourism is given a proper place within the various financial schemes of the Community, particularly the Regional Fund.

I notice that in the report there is a reference to the standard of beaches. I think this was inserted in the report as a result of an intervention by one of my group colleagues. I happen to represent St Ives in the House of Commons, a town which has gained European notoriety for the state of its beach as a result of mischievous publicity. I accept that there is a problem in St Ives, and I hope that the European Regional Development Fund, through its infrastructure provisions, will play a part in solving it.

My plea to this Parliament is that we cannot of ourselves boost tourism throughout. Let us concentrate on the issues that are within our competence. Certainly let us ensure that tourism is given its proper place in the policies and in the funds of Europe.

Mr Pisani, Member of the Commission. — *(FR)* This evening's debate is part of a discussion process which should result not in a common tourist policy but in some form of action, legal measures and local infrastructure, to ensure that tourism expands for the benefit of both tourists and the regions which they visit, thus making for a better reciprocal understanding of the Community Member States. But, for goodness' sake, do not let us think that this House — as our British colleagues would call it — or the Commission will produce some kind of structured whole.

I should like to thank Mrs Viehoff and the other rapporteurs for the contribution they have made to this lengthy discussion process. They have worked on an initial Commission proposal. When their discussions have been completed, the end-product of their work will be put before the Council, and the Council will no doubt ask the Commission to go one stage further and propose some courses of action in the light of all the discussions and findings.

The first course of action, as I was saying a little earlier, is to remove the barriers to free movement. I think this is an important step which needs to be taken. Tourists will not be the only people to benefit, although they will be one section of society who will.

The second course of action is to include tourism in the various development programmes which we decide to implement to make for a better balance within the Community, create more jobs and prevent the decline of certain regions.

I think that once we have defined precisely what part tourism has to play, and what it can contribute and what it cannot contribute, we shall achieve some very gratifying results. On behalf of the Commissioner who is responsible for this area, I shall bear in mind that, in some areas, tourism can be both beneficial and detrimental. We shall have to give thought to this.

I feel that this debate has been most valuable. I think I can say that the Commission will find it useful in submitting new proposals. In the meantime it will no

Pisani

doubt set up the specialized department which it needs — this will have a very small staff who will however, have responsibility for covering all aspects. To bring this debate to a close, Mr President, I should like to express to Parliament our appreciation of the contribution it has made to our work and assure it that, as the work progresses, we shall reach some very satisfactory conclusions.

President. — The debate is closed. The vote will be taken at the next voting time.

10. *Service Scheme for young people — Voluntary work*

President. — The next item is a joint debate on

- the report by Mr Hutton, on behalf of the Committee on Youth, Culture, Education, Information and Sport, on a European voluntary service scheme for young people (Doc. 1-767/83); and
- the report by Mr Eisma, on behalf of the Committee on Social Affairs and Employment, on voluntary work (Doc. 1-851/83).

Mr Hutton (ED), rapporteur. — Mr President, one of our great natural resources is the energy of our young people. They have idealism, they have a keen desire to help people less fortunate than themselves, and they have the energy to do it. This proposal for a voluntary service scheme offers us a chance to harness this idealism and energy.

The idea of giving voluntary service is rather a northern European one, even an Anglo-Saxon one. So the creation of a scheme with similar aims in all ten countries of the European Community will be a challenge. I am quite convinced that it is a challenge well worth taking up, and I am looking forward to the Parliament sharing that view.

The scheme I have envisaged would allow the free flow of young people from all backgrounds and between the ages of 16 and 25 around the Member States to carry out a very wide range of tasks. Examples of the sort of thing which could be undertaken include young Britishers helping the mentally handicapped in Greece; young Danes working for old people in Italy; young French volunteers running a youth-club for migrant workers in Berlin. We could see residential holidays for disabled children, the conversion of urban wasteground into adventure playgrounds, lunch clubs for old-age pensioners, the clearing of disused canals, language classes for immigrants.

We should not, I think, set up a vast special European agency to manage all this: we should tap the experience of existing organizations such as community service volunteers in the United Kingdom. However, I do think that where such agencies do not exist, then the Community should take the lead in setting them

up, for this is exactly the type of action which can profitably be done at a European level. A small coordinating group should be all that was needed from the European Commission, which, I think, is the most appropriate organization to take responsibility for this scheme. The national organizations would undertake a number of important jobs such as supervising and training volunteers as well as drawing up a job specification and assessing progress. In the past, there have been criticisms of under-supervision of projects.

It would be important in this scheme to advise young foreign visitors and also to give them adequate leisure activities. Here I have envisaged that town-twinning committees might play an active part both in arranging the exchanges and projects and in looking after the volunteers in their areas.

It is essential, too, that any work undertaken is useful. Taxpayers would rightly resent 'make-work' schemes, and it is also very important to the volunteers that what they do should be a help to them in their own development.

The accommodation of each volunteer would be important, and this might also be a task to be undertaken by twinning committees and other local voluntary bodies. It would certainly be most helpful if volunteers could stay with local families. Perhaps, eventually, places could be found for everybody wanting to give community service, priority going to young workers and people making the transition from school to work rather than to those going on to tertiary education. At the moment, many opportunities for voluntary work seem to be confined to graduates, and I should like to see a wide social range taking part comfortably in this scheme.

It is also important to stress the voluntary nature of the idea. There should not be a compulsory scheme, although it ought to be possible to make it available as an alternative in those countries which at present have conscription. It is important to stress that this is not designed to sop up unemployed youngsters but to widen young people's experience. It should be an additional option for young people to choose from along with further education and work itself.

Such a scheme will not be simple to operate, and I should like to see the Commission launch a pilot project to iron out some of the wrinkles. The year 1985 is United Nations Youth Year, and I suggest to Parliament that we press the Commission to prepare a scheme to be tested in 1985 as our contribution to that year. It is an exciting idea which has so far received broad political support in committee, and I hope that with your backing, ladies and gentlemen, we shall see this broadening horizon for our young folk become a reality by this time next year.

Mr Eisma (NI), rapporteur. — (NL) Mr President, this is the first time that we have discussed voluntary

Eisma

work in this Parliament, and as rapporteur I take the view that we should turn our attention to this important phenomenon. The difference between Mr Hutton's report and mine is that Mr Hutton concerns himself specifically with voluntary work for young people, while in my report I make some more far-reaching proposals relating to all age groups. I find voluntary work important for two reasons.

Voluntary service has occupied a place of its own in that it acts as a counterbalance to the bureaucratic and specialized social services in our society. In the explanatory statement to my report I have summarized a number of activities which can often be carried out more efficiently by voluntary workers than by professionals. I agree wholeheartedly with the opposers that one must not exaggerate the difference between professionals and voluntary workers. In general one can ascribe some qualities to these voluntary workers which are lacking in professionals. These qualities are a useful adjunct in the provision of social services in our society.

Secondly, I find it important that it should be seen in the context of the structural unemployment which we are experiencing in our society and which we shall experience to an even greater extent in the future. The demand for socially useful activities for the millions of unemployed should, however we try and twist things, be met and this can be done through voluntary work. Voluntary work of course does not constitute the only answer and it must also not be seen as something that reduces the possibilities of paid work. This is stated in various places in my report. I would especially like to say to those opposing my report that this is certainly not the intention, as will be repeatedly apparent from my text.

However, as your rapporteur, I am of the opinion that we must grow towards a society where the ethos of paid work will fade, because it will simply not be possible to find paid work for everybody in the future, so that the carrying out of unpaid work in society should be valued more. I think that this is the social reality which we cannot ignore. The gap between those which we then call 'active' or 'non-active' will, if we revalue volunteer work, tend to narrow.

In my report I ask the European Commission to check the current scale of volunteer work in the Member States. In addition to this, obstructions such as the regulation of reimbursement of expenses, reimbursement of organization costs, legal status, and indemnity and third-party insurance which stand in the way of the efficient functioning of voluntary work should be removed. I also ask the European Commission for support for the interests being furthered at European level.

It is a pity that we could not consider the advice of Mr Tyrrell of the Legal Affairs Committee in the decision-

making of our Committee on Social Affairs. Mr Tyrrell notes this with complete justification, but on the other hand I would ask the Legal Affairs Committee to show some understanding for our approach, because we could not wait ten months for its advice. The Committee on Social Affairs has been talking about this subject for months now and wants to reach a conclusion at long last. I thought that the opinion of the Committee on Legal Affairs relates principally to paragraph 2.6 of our motion for a resolution. Personally, and I am now not talking as rapporteur, I have tried to meet the Legal Affairs Committee half-way by tabling an amendment to replace the directive by means of a recommendation whereby the legal machinery of the Commission is changed somewhat in the direction the Legal Affairs Committee wants. I would gladly hear the reaction of the European Commission to my report and I hope that communal measures in favour of voluntary work can be taken soon.

Mr Tyrrell (ED), draftsman of the opinion of the Legal Affairs Committee. — It is a matter of regret that the Legal Affairs Committee was not asked to give an opinion on Mr Hutton's report, because I feel that if we had been asked, we might have subjected it to some critical review that would doubtless have improved its content and its presentation.

As it is, we were indeed asked to give an opinion on Mr Eisma's report and on Mrs Gaiotti de Biase's resolution. Unfortunately, the Legal Affairs Committee works to a time-table, and we were informed by the secretariat of the Committee on Social Affairs and Employment as to when Mr Eisma's report was going to be adopted by the committee. Accordingly, my opinion was listed in the Legal Affairs Committee for consideration at a date which would have met the date that we were given by the Social Affairs Committee, but they managed to get ahead with their work and the matter was dealt with before our opinion was received.

Having said that, I think I should go on to congratulate Mr Eisma on his draft report. His draft report was not only unobjectionable, it was positively satisfactory. Had his committee had the sense and sensitivity not to meddle with it, there would not have been any need for me to make a speech tonight! But, unfortunately, they did. They called for a directive under Article 118 which, of course, the Legal Affairs Committee immediately knew was not practicable, because Article 118 says:

The Commission shall have the task of promoting close cooperation between Member States in the social field and to this end shall act in close contact with the Member States by making studies, delivering opinions and arranging consultations.

Tyrrell

There is no reference there to the power to make a proposal for a directive and, I am sorry, Mr Eisma, no reference there to the power even to make a recommendation. So the first task of the Legal Affairs Committee was quite simple. We simply had to say, and I repeat now, whether we like it or not it is no good calling on the Commission to make a proposal for a directive nor, indeed, I now add, a recommendation, because they have no power to do anything other than make a study, deliver an opinion and arrange consultations.

Now, having commiserated with Mr Eisma on the way his committee dealt with his report, may I say that he is not alone, because my draft opinion is one which I would like to draw the attention of the House to. It did make some very cautious calls for exploration to see whether there was a need to make a study, deliver an opinion or arrange consultation. But that cautious progress suggested by me was not accepted by my committee, and an amendment that was moved by a member of Mrs Gaiotti de Biase's own group was carried. That paragraph was swept away and instead the Legal Affairs Committee said, we do not like this motion. It is my unhappy task tonight to tell you why they do not like it.

They do not like it for, I think, three reasons. They do not like it, first of all, because they could not find a problem that required a solution, so they did not think it was necessary to make the Commission prepare a study without being able to give them some idea of what the problem was. Secondly, they could not find a definition of voluntary work anywhere that would justify a study or an opinion either. I was required to write, and have written in paragraph 4, that we did not know whether the work referred to was paid or unpaid work, whether it was based on contractual obligations or some other legal duty, or willingly arising out of an association, whether it refers to work the end product of which is a saleable commodity or is a service intended for the common good, all of which you will recognize as first-class Christian-Democrat phraseology!

So there it is. We decided that for those two reasons we could not go along with the resolution. And there was yet a third reason that I am obliged to say some of my colleagues felt it necessary to put forward: they thought it would be dangerous to allow the Commission to meddle in these admirable bodies who are doing such excellent work on a voluntary basis. Their message through me tonight is that they would like the Commission, please, to keep their hands off!

Mrs Viehoff (S). — (NL) Mr President, as befits all good Socialists we share everything fairly, thus I shall principally concern myself with Mr Hutton's report, and the other members of my group with Mr Eisma's report.

Mr Hutton's report has been given the somewhat unfortunate title of 'voluntary service scheme for

young people'. That suggests that an obligatory service scheme for young people could also be set up and that brings to mind, at any rate for us, memories of the hated *Arbeitsdienst* introduced by the Germans in the Second World War.

I have a second problem with point (a) of the motion for a resolution: 'conscious of the great desire of young people to offer service in society'. I think this text is somewhat unrealistic. Many young people want a job and cannot get one. Many young people regard their future with extreme uncertainty and instead of wanting to make a contribution to society they hold the designers of this society, today's politicians, responsible for the current situation. Less pompous words would have been better suited here.

Then the programme. The emphasis for this programme should lie on the strictly voluntary nature, the personal development of the young people and the greater choice which it can offer young people. It should in no way be seen as a way of replacing normal paid work or as a method of dealing with unemployment. As long as the problem of youth unemployment remains unsolved there is a danger that freedom of choice will be impaired, and every volunteer programme for young people could then degenerate into something that is presented as an alternative to open unemployment. In this way hidden unemployment is boosted. The possibility of the voluntary nature changing into something akin to forced labour under social pressure must also be avoided.

1985 is United Nations Youth Year. It must be possible for the Commission to complete preparations for at least one project in 1984, which can then be introduced in 1985. But full participation in the programme of the Youth Forum and its sister organizations with their specific interests, commitment and experience, as well as of other volunteer organizations working in this area is of fundamental importance. Too much is organized for young people instead of with young people, and I think it is about time we realized that our schemes should be participatory and not paternalistic.

We have proposed two amendments. My group attaches great importance to the adoption of these amendments. This means for example involving the Youth Forum in the scheme.

I have one more comment on what Mr Eisma said with reference to his report. He was talking about the work ethos, and saying that we should approach this in a different manner. Well that is what it is about, I agree. But the frightening thing is that this is being applied to volunteer work.

Mr Brok (PPE). — (DE) Mr President, ladies and gentlemen, any interference by the Legal Affairs Committee in political matters is always unwelcome.

Brok

For example, its statement in its report that voluntary organizations have taken action on their own initiative to provide help where needed ought to be corrected. We believe, in fact, that voluntary, non-government organizations work more effectively for people in general, and not just in emergencies, than government organizations. Their superiority is apparent not only from the legal viewpoint but also, and primarily, from the quality of the help provided. In my view the Legal Affairs Committee should not become an obstacle to progress but should consider how the Community can develop a dynamic policy to help people.

The reports by Messrs Eisma and Hutton showed clearly — and here Mrs Viehoff was quite right — that we want no compulsory service of the kind which was enforced in Hitler's Germany or is still enforced in the German Democratic Republic. We want young people to be given the opportunity, within the limits of their capabilities and if they so desire, to travel to other countries and carry out useful work.

I can remember that in my own home town young people from the Netherlands, Belgium and the United Kingdom helped to create a sports area in their holidays and in return were given language instruction. Such experiences make a deep, lifelong impression. They also help to provide an experience of Europe which is in line with our own aspirations; for it is our hope that the young people of the future will not wage war against one another but work happily together.

That is the objective of these reports, and I would like to express my gratitude to Mr Eisma and, more particularly, to Mr Hutton. They should not be used as a pretext for discussing unemployment, for it would be sad if the good things of life were seen only from a professional viewpoint and if we failed to appreciate how wonderful it is that young people should volunteer for unpaid work to help the community in a positive way.

I therefore feel that such voluntary work, possibly in the form of pilot projects as proposed by Mr Hutton, should be made available by the Commission and that the necessary practical and financial arrangements should be made.

Work should be considered not only from the standpoint of profitability, but we should also be concerned with bringing young people together so that they can learn to measure their responsibility for the common good not only in terms of earnings but also in terms of the benefits of their work for their fellow human beings.

Mr Patterson (ED). — Mr President, at this stage I will not go into the question of which committee works faster, the Legal Affairs Committee or the Committee on Social Affairs and Employment, apart from observing that Mr Tyrrell was appointed on 20 January this year, so he did have quite a lot of time to

prepare his report. Nor will I go for the moment into the legal dispute about Article 118. I merely observe at this point that voluntary work is an important part of our society which deserves some examination.

There is a figure given in Mr Eisma's report that in the United Kingdom 14 % of people are involved in voluntary work. This is very much an underestimate, and I took the trouble this afternoon to find out what figures the voluntary organizations themselves give. They say that 44 % of adults in the United Kingdom do some voluntary work in each year and 20 % of adults do some voluntary work in each month, and these numbers are rising. This shows how very important voluntary work is at the moment. They reflect, indeed, the valuable role that voluntary work plays, and Mr Eisma noted there are two sides to it which mutually support each other.

First, voluntary work provides rewarding activities for those who might otherwise have little to occupy their time. He points out that this is particularly the case with the unemployed. But what, of course, is more important is that voluntary workers provide valuable help to those who are most at risk, and here I would particularly mention the elderly. Those who have been in local authorities know the value of voluntary meals-on-wheels services or volunteers who paint old-age-pensioners' houses free. This kind of thing is of such importance that it should not be just swept aside by saying that the Community has no business to talk about it.

However, we need to be clear on the relation between voluntary and paid employment, and I make two preliminary remarks. First, you do not have to attack professional services in order to establish the case for voluntary services. Secondly, quarrels between trade unions and voluntary organizations as to whether work should be paid or not paid are extremely unedifying and do very little to help the people whom those services are designed to help.

Voluntary work, we know, can never replace statutory services. For example, voluntary workers cannot pay the electricity bills, but at the same time voluntary work can be complementary to such services and to take the same example of the electricity bills, voluntary workers can help with advice on how to manage household finances so that electricity bills can be paid. This is something that anyone who has been in a local authority in Britain knows is an extremely valuable service which can be given.

Indeed voluntary services are not used to replace statutory services so much as to fill in the gaps left by the lack of family care in our present society. The voluntary services therefore, for example, particularly give help to the old who are living alone, who in a previous society maybe would have been living with their families. That kind of service is exceedingly important.

Patterson

Now, the Eisma report gives several valuable ideas. It talks about training for volunteers particularly for example the para-medical services; it shows that voluntary work experience can be valuable, indeed should be taken into account when recruiting for paid employment, and it shows that this experience is therefore valuable to the unemployed. The Community does have a role. Voluntary work could be important in certain Community programmes, and I mention the poverty programme. Insofar as training is involved, so is the Social Fund and in any case, shared experience between countries is particularly important.

I end by pointing out to the Legal Affairs Committee that I have heard that the Commission indeed has just approved, this week, 20 000 ECU for research studies into the extent of voluntary work, and the Commissioner will confirm this or deny it. I therefore believe — and indeed my group will vote for most of Mr Eisma's report — that an activity of such importance at the present moment cannot be ignored and the Community does have a role to play.

Mrs Duport (S). — *(FR)* I see that our Assembly, like the Committee on Social Affairs, is in some doubt, because, as Mr Tyrrell has said, we are not quite clear what we are talking about. I can remember an international community service — which in fact still exists — comprising young people and the not — so — young from all nations who went off to do all kinds of interesting work. Why not support this type of activity? However, I do not propose to speak about Mr Hutton's report, I shall concentrate on Mr Eisma's report on volunteer work.

I think that if this proposal had been made during the years of the fat-fleshed kine, during the growth period of the 1960s we would have welcomed this report, but now that we are in the throes of a period of unemployment, when large numbers of young people have no paid work and are very distressed — as Mrs Viehoff has made perfectly plain — I do not know quite what is the motive behind this request for a Directive or even a Recommendation on volunteer work. What is the Commission expected to do, on what authority and why?

I am well aware that, from time immemorial, public spirited people have performed very useful, often vital, services in non-profit-making organizations with limited resources to cater for what has often been very heavy demand — and I am thinking of the work done for the elderly and the disabled and other sectors of society who receive help from local community volunteers! Security services and sports are the provinces of people who work voluntarily and who are not for the most part paid — but my experience both as a Member of Parliament and a doctor, has given me occasion to note that things were not all so straightforward and that, in some instances, the best inten-

tioned volunteer work cannot always provide the same standard of efficiency and, above all continuity of care, particularly for the old or the sick, and that conflicts between professionals and volunteer workers are often very difficult to resolve.

I accordingly have the following objections to make: in the present climate we must ensure that the measures which are adopted do not result in disguised job cuts. It is not charitable volunteer work which should be our main objective, but paid work. Secondly, it is quite unacceptable that, on the strength of restrictive budget policies, the public services should employ fewer qualified professionals and more unpaid volunteer workers. Thirdly, it is also unacceptable for the quality of unpaid, flexible, so-called 'non-bureaucratic' work to be compared with the allegedly dehumanized, specialized and therefore compartmentalized work done by professionals. If this is the case sometimes, it is because, in most instances, the organization, working conditions and training of such personnel are inadequate.

We are not opposed to volunteer work. In France, we have just offered young people of 18-25, who are unemployed but who have some form of training, the opportunity to perform tasks of general interest in local communities in non-profit-making organizations and in non-commercial public concerns. There young people do this volunteer work full-time. They accordingly acquire some vocational training and have some initial job-experience which affords some form of specialization, training or even a job, and they receive a sum equal to half the minimum wage.

So do we still need a Community Directive or Regulation to govern volunteer work? I do not think that even a Recommendation would be justified, because I am very dubious about the motive underlying this report, which seems to be me to rest upon the acceptance of what is a tragic situation for young people, namely unemployment, at a time when all our efforts should be directed towards helping them, by providing training and creating jobs, so that they can find their place in the world of work and, as Mrs Viehoff plainly stated, we should avoid adopting a paternalistic attitude to them.

Mr Brok (PPE). — *(DE)* Mr President, could you please tell me which part of Mrs Duport's speech is valid, the first and third parts or the middle part?

President. — Can you please repeat the question, Mr Brok?

Mr Brok (PPE). — *(DE)* Let me make myself clear. In the first and last parts of her speech she said one thing while she said the exact opposite in the middle part. I should be grateful to know what she really meant to say.

President. — I do not think that is a point of order. I am afraid, Mr Brok, that that is more out of order than the complaint you were making yourself.

Mr Estgen (PPE). — *(FR)* Mr President, my dear colleagues, much ill has been spoken of the youth of today, and it seems that there is sometimes justification for this. But to criticize young people is nothing new. People did so in Socrates' time. However, there is one thing which nobody can deny, and that is the immense potential of goodwill, coupled with a burning desire for peace, freedom and justice, and a willingness to be of service to society, to be of some use in the world, and to help combat some of the scandalous social ills which are even to be found in the Community.

Unfortunately, this readiness to serve and this goodwill are often manipulated and even abused. I am accordingly very much in favour of a programme being drawn up, as I feel that this will provide a channel for this goodwill. I am referring to a European service scheme for young people to carry out unpaid volunteer work which will be funded out of the Community's budget, with appropriate contributions from the budgets of the Member States.

The Hutton Report expresses the fear that service schemes of this kind might be viewed and presented as an alternative to unemployment. No, social service can never be the answer to the serious problems of youth unemployment. However, in my view, a service scheme of this kind can help to mitigate the damage caused by unemployment, particularly the psychological and moral damage, because one of the most dangerous aspects of youth unemployment is that young people to a large extent lose a chance of personal fulfilment, contact with other people and appreciation in our society, and this has the adverse consequences which we sometimes hear of.

I, personally, also take the view that there are times — and here we are of course talking about volunteer work, that is to say unpaid service — when unemployment benefit should be made conditional upon such service. I should also like to stress how important it is to involve in this service not only the young, irrespective of sex and social background — in this day and age, that goes without saying — but also the handicapped. While service of this kind is in itself a form of apprenticeship, it must also incorporate some suitable form of vocational training or else this service scheme is in danger of being diverted from its essential function. And I think that the young people participating in such a scheme should of course devote themselves to the Community, with particular emphasis on the environment, care, culture and creation.

I should accordingly like to close by saying that I am very much in favour of the institution of such a service scheme.

Mr Vernimmen (S). — *(NL)* Mr President, ladies and gentlemen, I will probably be one of the few to plead very strongly against this report. I have a lot of respect for politicians with imagination. This is a necessary attribute and Mr Eisma displays a lot of it in his report on voluntary work. But there is some difference between imagination and day-dreaming.

There will always be people — and I admire them — who, for all kinds of reasons — and this I admire less — do voluntary work. But this seems to me no reason to create vast structures for it. In any case, in most of the Member States the trend is quite different from the one proposed by Mr Eisma. And this trend is that the unemployed eligible for social security can carry out work without any obligation and at their own request in return for the compensation they receive, especially in those sectors which were cited by Mr Eisma as voluntary work. This seems to me to be much more acceptable. Strangely enough, it is precisely this type of employment that Mr Eisma rejects in his report.

At a time when we in the Community have millions of unemployed we must, if Parliament wants to remain in any way credible, show a little realism. One can, of course, put statistics on unemployment into a computer. But the moral suffering that many unemployed know cannot be calculated. That is why I am convinced that we must direct all our actions and initiatives to real employment, particularly in order to find a real place for the unemployed in society. This task seems big enough to me, it is enormous.

Although I truly appreciate the efforts of the rapporteur, all the observations in his report seemed to me to be of secondary importance. It can only cause more confusion for the category of people that really wants to work. That is why I will vote with a great deal of conviction against this report.

Mr Ghergo (PPE). — *(IT)* Mr President, ladies and gentlemen, the report on volunteer work which we are discussing stems from a proposed resolution submitted by my group in 1981. In this, we called for some regulation of volunteer work at European level, having regard to the increasing scale of such work and its immense value to society.

Volunteer work is becoming increasingly widespread in a number of services, ranging from help for the sick, the elderly and the disabled to the provision of cultural entertainment, adult education, the protection of the environment and cooperation with development, to name but a few.

In order to protect volunteer workers, even at the Committee stage my group stressed the need for legislation covering volunteer workers, to define their legal status and the financial aspects such as reimbursement for expenses and other costs involved in the work, such as insurance against loss and liability. There

Ghergo

must be a sharp distinction in law between volunteer work and paid work, to preclude the use of volunteer work to evade regulations and employment contracts, which aggravates the problem of undeclared work.

Greater clarification on this point would also help to influence a legal system which has traditionally been averse to volunteer work which it attempts to equate with contractual employment.

However, we cannot go along with the constant reference which the Eisma report makes to unemployment. While it is undoubtedly true that volunteer work may be very useful in providing social and human contact for the unemployed, just as experience of such work should be considered when assessing the expertise of an individual, volunteer work is not exclusively the province of the unemployed who quite naturally are looking for paid employment of a vocational nature. If we are to have a better understanding and knowledge of volunteer work, we must undertake studies and research in conjunction with European and national voluntary bodies to establish the scale of such work, pinpoint the problems and ensure that it is geared to the needs of our society.

On the subject of youth volunteer work particularly, we know that this affords an opportunity for training and is beneficial to society. We therefore need to set up Community-level facilities to provide young people with guidance and information on voluntary work.

In this respect it seems all the more desirable to implement pilot projects in volunteer work in the Community and European programme of youth volunteer work. There is also a need for Community level harmonization of voluntary service in the developing countries which is a magnificent and effective contribution to international cooperation policy.

This is why my group proposes to vote in favour of the Eisma report, and I should like to express my appreciation to Mr Eisma for the excellent job he has done.

Mrs Van Hemeldonck (S). — *(NL)* Mr President, in my teens I picked hops in the Duchy of Kent, I gathered hay in Scotland, I picked jasmine very early in the morning in the South of France, I planted firs not far from Hanover, I worked in a car factory in Bremen and picked grapes in Tuscany. My children in their turn took part in archeological digs as volunteers in Israel, planted trees in France and so on. I should thus be one of the first to be enthusiastic about a form of voluntary work that is simultaneously a form of youth tourism.

Nevertheless I am not. I am very worried that the theme of voluntary work is suddenly thrust at us at a time when employment in the social and in the cultural sector is declining, when conservative governments are refusing to create employment opportuni-

ties in those areas where there are still great social and cultural needs. Thus I shall regretfully oppose the adoption of a recommendation in this direction. Now is not the time to talk about this problem. Voluntary workers will, fortunately, always continue to exist in our society; they will always be there, especially in the socialist movement. We call these people militants. We find them in action groups and so forth, and they certainly need no recommendations from the Commission for their work or their commitment.

Mrs Gaiotti De Biase (PPE). — *(IT)* Mr President, it was I who submitted the resolution which gave rise to the Eisma report and I am rather surprised at the Socialist Group's lack of understanding of one of the most significant trends in our society which they persist in viewing in a very outdated fashion.

(Applause)

Volunteer work is not a form of employment. We are witnessing a new and edifying social trend, which is astounding sociologists and reaching astronomical figures. In addition to those quoted by my colleague, Mr Patterson, there are over 3 million volunteer workers in Italy with a total of some 900 million hours of service per year.

One respect in which the Socialist Group is right is in claiming that there are two major question marks still to be resolved in this debate, and it would be advisable if this matter were to be clarified in the Assembly's vote tomorrow, although unfortunately those who will be voting tomorrow will not have heard today's debate.

The first misunderstanding concerns the relationship between volunteer work and unemployment. Personally, I am very much opposed to any connection between the two. In fact I would even go so far as to say that only people who are not unemployed can approach volunteer work in the right frame of mind.

The association between the two is most unfortunate on the part of both those who regard volunteer work as a solution to unemployment and those who fear that it is proposed to resolve the problem of unemployment by means of volunteer work. And something else which we must avoid is to confuse the part played by voluntary workers with the work done by welfare specialists, and not because the services provided by the former are essentially different from those provided by the latter. When we say that volunteer work is not democratic, this is not intended as an insult to professional welfare workers. However, the efficiency and attention which a voluntary worker can provide is different from that provided by the professional. Both are extremely useful and extremely vital to our society.

The rapporteur for the Legal Committee has, quite rightly, pointed out that we are not even in a position to define volunteer work. And this is the crux of the

Gaiotti De Biase

problem. Shall we make an attempt to define it together, given that the right to work in Europe has now of necessity been harmonized? It is not a question of laying down regulations for volunteer work, which takes widely differing forms in different situations; what we have to do is draw a sharper distinction between volunteer workers and paid employees. In the first instance we must protect volunteer workers — as my colleague, Mr Ghergo, has mentioned — to ensure that they are not used for undeclared work as a means of circumventing our legal system to an immoral and inequitable degree, and to protect the organizations which use the services of volunteer workers, which might at some future date become involved in legal proceedings initiated by someone acting the volunteer worker with ulterior motives.

And to go back to my last point, anyone employed in any production process, be it in a car factory or in the agricultural sector, certainly cannot be classed as a volunteer worker. Production work is not, in my view, volunteer work. It may be part of a sandwich course and it may be many other things but it cannot be qualified as voluntary work.

I am convinced, Mr President, that irrespective of the outcome of tomorrow's resolution, — and I must repeat once again how much I deplore the obtuseness of the Socialist Group — in the years to come this problem will be one of the commonest and most dangerous in our society. It may be some time before we have a directive from the Commission but we need it quickly if we wish to harmonize the right to work in our society and ensure that the protection which a harmonized right gives to the employed covers all sections of our society.

Volunteer workers are one aspect of the future which must be respected and recognized and given the chance to flourish without the danger of abuse in the security of a democratic society which wishes to protect future generations and at the same time wishes to enhance everyone's conditions and contributions.

Mr Burke, Member of the Commission. — Mr President, on behalf of my colleague who is more directly responsible for these matters, I have pleasure in welcoming the initiative of the European Parliament in focusing attention on this important sector of economic and social activity, which is so often neglected. The debate this evening has been very stimulating and illuminating, bringing together as it does the two slightly different notions of voluntary work and voluntary service.

If I can take first of all Mr Eisma's report, I would like to congratulate him on this excellent report. Perhaps most significant from the Commission's point of view is the link that is made between what might be called the traditional concept of voluntary work — the rather spontaneous activities of volunteers coming together to support or supplement the work of official or pro-

fessional bodies — and the growing phenomenon of officially sponsored programmes promoting voluntary work by unemployed people. These programmes, which may well be designed essentially to remove people from the unemployment register, can nevertheless supply services of great utility to a local community and bring a new dimension to voluntary work. Indeed, by ensuring some form of income support and entitlement to social security benefits they begin to blur the distinctions between paid and unpaid work.

Mr Eisma is right to insist on a number of principles governing the development of voluntary work, as in paragraph 1 of the draft resolution. It is most certainly not a substitute for paid employment, though it may provide a decent alternative to unemployment. Voluntary work should be facilitated, as Mr Eisma says in his report, by relieving unemployed people of the obligation to check in regularly at unemployment offices when they are occupied with voluntary work. Voluntary work can provide invaluable work experience, as we all know, especially for young people.

The Commission can agree with all these general principles. We may differ slightly, however, when it comes to considering action at Community level. We see voluntary work as an important strand within our action programmes on various specific areas of policy. On the practical level, the Commission will be setting up a network of demonstration projects involving the creation and development of special guidance and counselling centres for young people to be part-financed through the European Social Fund.

In its recent communication on Community action to combat unemployment, the contribution of local employment initiatives, the Commission has also looked closely at an area of activity which is reminiscent of voluntary work but can now be called a form of job creation. We have seen that at local level a number of organizations, which may be traditional voluntary bodies such as charitable welfare associations or newer action groups such as women's groups and self-help bodies, are turning to employment creation as an additional and more positive way of tackling social problems, with or without indirect financial support from public authorities.

There is certainly a close link with actions to combat poverty. The whole concept of voluntary work will continue to be pursued in the context of our preparations for a second action programme on poverty.

A whole range of flexible responses by public authorities is necessary to promote such developments. For this reason, the Commission is reluctant to draw a hard and fast line between paid and unpaid work, let alone produce a draft directive — I refer here to paragraph 2 (6) of the resolution — and this on a subject where there is tremendous variety of activities between Member States and where legislative intervention would, in our view, be rather unwelcome.

Burke

The same applies to the idea of a European statute for voluntary workers, as in paragraph 2 (2) of the resolution. The Commission is, nevertheless, very willing to study these issues in greater detail. Taking up Parliament's suggestions in this area in paragraph 2 (3), the Commission will shortly be launching a study and here I confirm this, as requested by Mr Patterson. The Commission prefers to promote and facilitate activity in this area rather than try to regulate what happens in Member States.

The same approach applies in the field of voluntary service, which is the subject of Mr Hutton's excellent report. Voluntary service is, in fact, another name for voluntary work where the aim is to provide an opportunity for young people to obtain a special kind of learning experience and to develop their independence, their ability to communicate with other people, their understanding and tolerance of different habits and ways of life. The vision behind Mr Hutton's scheme, that young people should be able to offer their voluntary service to any part of the wider Community of Europe, is one to which young people themselves can respond and which we ourselves should all support. It is similar to the vision put forward already to this Parliament in Mrs Pruvot's resolution on youth policy and Mr Bocklet's resolution on youth exchanges.

In addition to the activity already taking place at Community level in the field of youth exchanges, the Commission is working on new proposals and preparing plans for the use of the budget line that Parliament has created for 1984. I tend, by the way, to agree with Mr Hutton on what he said about how we should work — that is, that we should work through existing organizations such as, for example, the Alliance of West European Voluntary Service Organizations rather than creating new bodies for coordination.

To summarize, therefore, this is an imaginative scheme and one that deserves our support. We shall have to look further at how best that support can be provided, since such a scheme cannot be organized on the cheap. We would reckon, for example, that one year placements for 100 young people if all costs are covered by the Community would require something between one-half and three-quarters of a million ECU. The various obstacles can be overcome, and I hope that the vision contained in this resolution will become a reality, if possible, by the international Youth Year of 1985.

(Applause)

Mr Eisma (NI), rapporteur. — *(NL)* Mr President, as rapporteur I would like to put a supplementary question to the Commission. I am on the whole very happy with the Commission's reaction to the contents of my report. I understand that it accepts the basic

arguments for the voluntary policy as I formulated them and that it is also prepared to investigate the scale of this volunteer policy in Europe. I have, however, also understood that the Commission is not in favour of a statute for voluntary workers and is even less enthusiastic about a directive for voluntary workers. With reference to the latter I would like to ask: does the Commission then intend to accede to the wish — should it be confirmed by Parliament in tomorrow's vote — that it prepare a recommendation instead of a directive with reference to the voluntary workers? That is my question to the Commission.

Mr Burke, Member of the Commission. — In reply to Mr Eisma, I would say he has correctly understood the position as regards the first two aspects of his contribution. In regard to the recommendation at the moment all I can say, on behalf of the Commission, is that we keep an open position on this, subject only to looking at the legal reservations that might arise.

I think that might give an indication of willingness, subject to the law governing the matter.

President. — The debate is closed. The vote will be taken at the next voting time.

11. *European Poetry Festival*

President. — The next item is the report by Mr Vandemeulebroucke, on behalf of the Committee on Youth, Culture, Education, Information and Sport, on a European poetry festival (Doc. 1-765/80).

Mr Vandemeulebroucke (CDI), rapporteur. — *(NL)* When I take the floor here, Mr President, it is not so much because of the great importance of this report. Even I can put that perfectly well into perspective. This was really a sort of late tribute to colleague Jaak Henckens, who was the rapporteur before me for the European Poetry Festival, and whom we lost in 1981. I have always valued his openness, tolerance and good fellowship in politics: he made this a matter of honour.

Ladies and gentlemen, the initiative to hold a European Poetry Festival originated from a magazine based in Luxembourg, called *New Europe*. In 1979, a non-profit-making association under Belgian law evolved from this with its seat in the University town of Louvain. The founders included poets and critics from Belgium, the Netherlands, Luxembourg and Spain.

The aim and purposes of the association which we are talking about, are the administration of a European library of poetry and the centre for research, documentation, and also translation, the organization of the European Poetry Festival and the publication of bundles of poems, anthologies and studies on poetry in Europe. Finally, it also aims to administer a European Chair of poetry.

Vandemeulebroucke

Finally we ask the European Commission to take a positive attitude towards this initiative of a European Poetry Festival, and towards the founding of a European Chair of poetry, and I would like to add to this that Mrs Dury on behalf of the Socialist group has proposed a similar initiative. It concerns the *Centre d'études poétiques* based in Brussels and is in fact even older than the initiative now before us. This *Centre d'études poétiques* dates from 1954 and it would, of course, be the obvious thing for the two projects, that is to say the one in Louvain and the one in Brussels, to be dealt with together and to both be eligible for subsidies and for jointly organized poetry festivals.

Well, this is what the report that I have the honour to lay before you is about. It is self-evident that I accept Mrs Dury's two amendments, that I also welcome Mr Papapietro's amendments, which request that the administrations of both institutions should be open to representatives of all Member States. Finally, I should like to point out that both these initiatives not only relate to recognized languages, but also envisage the translation of poetry from the so-called non-recognized languages, something which would be an extraordinarily valuable cultural contribution for us. I think that from the variety of languages and the variety of culture and art we can easily progress towards the unity which is, surely, the aim of all of us.

Mrs Dury (S). — (FR) Today we have a report on poetry to discuss, and I approve this in part. I am taking up the cudgels for poets, and I am asking on their behalf, not for payment, but for Europe to give strong support to the creative of the past, the present and the future.

(Applause)

Mr Vandemeulebroucke has paid heed to my amendments. I wanted to say that the International Centre for Poetry has done a tremendous amount of work in the field of poetry, to disseminate not only Belgian poems but also poems from many European countries. I think that this is a vast heritage; it is an important activity which will help to mould the European spirit, and I am very grateful to Mr Vandemeulebroucke for having backed my amendments. I don't think I have used up all my speaking time, but I hope that my arguments have convinced everybody in this Parliament.

Mr Marck (PPE). — (NL) Mr President, I shall not talk in alexandrines as Mrs Dury did, for which by the way, I congratulate her. I do not have the same imagination nor the same feeling for poetry, but as the author of a motion for resolution I do want to say a few words.

You will have noticed that we do not often talk about poetry in this Parliament, despite the fact that we often hear poetical utterances. I do, however, along with Mr Vandemeulebroucke, wish to stress the Euro-

pean dimension, and not because a European Poetry Festival has already taken place five times at Louvain — I live near this town. That is not the most important thing. It is more important that the poets from various European countries can meet each other to have literary conversations, and especially to establish a documentation and a translation centre. Such a translation centre should make it possible for us to understand each other across the language barrier, and across the frontiers. This library for European poetry and the centre for documentation and translation will be enlarged, most probably with help from the Commission, which has already given certain instructions for research into the possibilities and the social and economic position of the poets in Europe. It is also important, as Mr Vandemeulebroucke pointed out, that minority languages and non-recognized languages have a role to play.

Contacts have been made with Central Europe, and meetings and festivals have been organized with poets from Africa. It will thus obviously take us well beyond our own familiar environment. Consideration is often asked in great speeches for the Europe of the people. I think that initiatives such as these can make a substantial contribution so that poets and readers from various linguistic backgrounds can be brought closer together and can learn to appreciate their own individuality within the great diversity around them. That is why I hope that tomorrow we will unanimously support this cause.

Mr Rolland (DEP). — (FR) Mr President, ladies and gentlemen, as I have to speak about a report on poetry, I have taken the liberty of writing in verse. I will make it clear that that does not make me a poet, but the Athens Summit made an impression on me and I have written a little poem about Europe, based on the Athens Summit.

(Voice: 'Is this a *Chanson de Roland*?')

EUROPE

Europe, which has led the world for twenty centuries,
You are now as pallid as a spent star.
Will Athens prove to be your tomb?
Will you perish like an exhausted fighter?

Europe, you are crumbling like a worried world
Before the newly created great empires,
And will you let yourself be dragged down
By the thousand difficulties which these empires put
before you?

In the land that centuries ago saw the birth of the first
Parliament,
Your shepherds have all become drunk with words
And with their long knives
Tried to give you the '*coup de grâce*.'

(Laughter)

Rolland

In your glory will you be as brilliant as Parthia,
Stubbornly clinging to the honour of remaining the
cradle of the world

And let your ideas and action become more fruitful,
Or will you, like Sparta, lose the power to act?

Now you are engaged in a violent combat,
Be strong and fight off these angry dogs.
Is your wish to take hold of yourself and survive
Or to breathe your last, your lifeblood running dry?

(Laughter)

Like the Roman legions worn out for all eternity,
You have conquered the lands you have discovered,
Unscalable peaks and greenest plains,
But now you are crawling like broad-valley'd rivers.

Your vessels have sailed the open sea
And even brought Carthage to its knees,
Conquered the vast breadth of America —
What Homeric feats you have performed!

But now that you have anchored off your own shores,
You are divided, so they say, for the sake of a few
pence.

Will you be shipwrecked
Like the panic-stricken Arabs at Lepanto?

Where are the horizons which made your glory shine,
Enshrining your name for ever in our history?
Raise your head, your brow is not so heavy,
Get back to work, walk, smile and run.

Do not let your spirit be downcast
But become a shining light.
All your yesteryears predestine you for a long future,
Do not break the chain forged by your own hand.

And politicians, as for you, keep calm,
Do not assail your public with so many speeches.
See to it that Europe stays both royal and republican
In such a struggle, and be of good faith.

Autumn leaves are falling and carpet the ground,
Has Europe suddenly taken leave of its senses?
At the foot of the Parthenon, mutilated by the hand of
man,
Will man once more recoil?

(Applause)

Long, sad and deep laments waft to my ears
From the far-flung European countrysides
And from the mountain tops —
Dull echoes, like broken voices.

The Europe we live in abounds with treasures,
Why sacrifice it and send it to its doom?
Let us all strive to fend off the fury of these waves
And protect its body from injury and ill.

O fickle Europe, your young people expect you
To dash asunder the chains that enthrall you.
In the great adventure along the road to progress
You must be there to pave the way.

You must say to the council that sits at your head
That none of its potions can slake your thirst
And that it should let you, like Noah in his ark,
Light the way for the world like the Fates.

(Applause)

President. — Thank you very much, Mr Rolland. It
is wonderful, you fitted it into the group's five
minutes, and I think it would be most improper if, on
behalf of the House, I did not take the opportunity
from the Chair of thanking the team of interpreters
for having translated it so well. A wonderful team
effort!

(Applause)

Mr Eisma (NI). — *(NL)* To write as Rolland and
Dury we desire
And so your spirit to inspire...

As a spark of light in this sombre time,
Let this report gladden our hearts, yours and mine,
Will concern for the Athens Summit
Make us weep to see Europe plummet?

The European Parliament has other ideas
Born of culture and in poetical spheres.

The festival will make Europe reassemble
And cause the summit in Paris to tremble.

I trust that this suggestion achieves its aim in time
And that the interpreters translate this piece in rhyme.

(Applause)

President. — Thank you, Mr Eisma. It is a pleasure
to preside over a sitting like this. That really puts it up
to the Commission. I now call Commissioner Pisani.

(Laughter)

Mr Pisani, Member of the Commission. — *(FR)* In
view of the parlous state of the Community budget
and that we have a poor attendance here but an abun-
dance of poets, the Commission wonders if it is justi-
fied in supporting a festival elsewhere when we seem
to have found the ideal spot.

(Laughter and applause)

I will join you, Mr President, in congratulating the
authors of these brilliant improvisations. Even more
hearty congratulations go to the interpreters for the
exceptional agility which they have demonstrated.
Now I should like to be very prosaic and turn to the
matter in hand.

I should like to say quite simply that, above and
beyond the festivals we are talking about, the Commis-
sion has taken steps and will continue to do so, but its
main concern is to ensure not only that poets can
meet one another, which is very useful, but that they
have a public, which is more important because, after
all, the tragedy of our age and the main problem
facing poets is that they find it increasingly difficult to
find an audience of men and women who are

Pisani

prepared to devote just a minute to the view of the world which poets can portray.

I have learned a great deal from this debate but I shall now draw to a close and not protract it any longer and instead will simply say that in the light of the report which has been submitted, and in addition to the proposal contained in it, even with Mrs Dury's amendments, the Commission will support any action taken in this area, and will in fact take action itself.

(Applause)

President. — The debate is closed. The vote will be taken at the next voting time.

12. Discharge decision for 1980

President. — The next item is the report by Mr Key, on behalf of the Committee on Budgetary Control, on action taken on the discharge decision in respect of the 1980 financial year (Doc. 1-812/83).

Mr Key is not present.

Mr Kellett-Bowman (ED). — I went out a few minutes ago to find out if Mr Key was on the premises. You may remember, Mr President, that it was proposed on Monday that this report be taken without debate, but one Member, sitting not far behind me, used his right to object to the report being taken without debate. That Member is not present, so maybe in effect, we can do that...

... but Mr Key is here.

Mr Key (S), rapporteur. — Mr President, I apologize for being slightly late, but it is the festive season and one tries to be cooperative with staff and other colleagues in this Parliament.

It is obviously difficult at this time of the night to try to deal with the very serious subject of the discharge of the budget. Having spent the whole day trying to determine the budget for 1984, to look back upon the budget of 1980 is very difficult.

The role of this Parliament is to try to maintain political control of the budget, and it can take a very great amount of time, both administratively and politically, to ensure that we control the expenditure of this Parliament as elected representatives. It is not only true of this Parliament, but it is also true of other parliaments within the Community. Indeed, my own national parliament is still trying to achieve the powers which we now have in this Parliament. The only historical statement I wish to make is that it is now 150 years since the Greeks — who are the latest members to this Parliament — actually established their Court of Auditors, and they are still experiencing immense problems in controlling their expenditure.

In the case of my country, the United Kingdom, the Committee of Public Accounts was set up in 1861.

Colleagues who were at our meeting in London last year will recall that they met representatives of the Committee in London who were very interested in how we operated inside this Parliament and who have a great deal to learn. I think, from the experience of the vote today, there are many Members of this Parliament who come from my country who have a great deal to learn about the budgetary procedures and the nuances of this Parliament at this stage.

Can I now turn back to 1981 and try to recall for Members that what we tried to do then was to examine carefully the budget of 1980. After intensive debate with Mr Tugendhat and often with Mr Burke, who often had to represent him and make statements on his behalf, we laid down strict procedures as to how we should operate. We made one strong statement here. We said that we wanted to defer the discharge of the budget for 1980 until we had obtained certain criteria and certain definitions from the Commission and the other institutions. All I can say is that I think that was a very worthwhile exercise, because we made major criticisms, whether it was sales of butter to Russia or the budgetization of certain items of the budget or the failure of the Commission to give us full responses.

We laid down about 12 points which we put in front of the Commission and their institutions and they responded very positively to us. What I want to report tonight, Mr President, is that they were very good in giving us a lot of assurances and a lot of very positive decisions. I want to pay tribute to the Commission and its staff, who worked with us very seriously on that.

As I have pointed out on many occasions to the Committee on Budgetary Control, the process of exercising political control of the Community budget is a continuous one; it is not done on one single vote. It is done over a long period. Often we turn to the Commission and say to them 'Can you do this?' and we know they cannot respond to us immediately because of the ramifications of this Community. They have to deal with many Member States, many national bureaucracies, but they have eventually come round to many of the opinions of our committee.

Therefore, Mr President, in the spirit of the festive season, I am very pleased to propose the final motion on the discharge for the 1980 budget.

Mr Pearce (ED). — May I put a question to the rapporteur?

President. — No it is too late for questions, Mr Pearce.

Mr Burke, Member of the Commission. — Mr President, I would like to reciprocate by thanking Mr Key and I am speaking here on behalf of my colleague more directly responsible.

Burke

This motion for a resolution clearly views in a favourable light our efforts to satisfy Parliament's requests as far as possible during the discharge procedure for 1980. I think this is especially gratifying since, as we have just had recalled for us, the discharge for 1980 was only given at the second time of asking, following the special efforts made by the Commission at Parliament's request.

In paragraph 1 of the motion for a resolution, the rapporteur recognizes the positive reaction of the Commission as reflected in the concrete changes of a political, procedural and accounting nature that have resulted from Parliament's resolutions on the implementation of the 1980 budget. You are aware of the political importance as well as the technical complexity of the questions discussed. It is worth noting that the approval expressed therefore relates to fundamental issues.

It is in the light of this first overall assessment that the Commission will examine the points on which the rapporteur calls for additional improvements in his motion for a resolution. Both paragraph 2 — safeguarding the Community's own resources — and paragraph 7 — clearance of the EAGGF (Guarantee Section) accounts and frauds in the sector — have been subjected to increased vigilance, and Parliament has been given detailed information. On the latter point, I think Parliament will see during the discharge procedure for 1982 that progress has been made in combating frauds and irregularities and in the clearance of accounts.

As Mr Key states, other points will be covered during Parliament's further work concerning action taken on the discharge decision for 1981 or concerning the discharge decision for 1982. The Committee on Budgetary Control will soon begin its examination of this point, and I may assure you that the Commission will pay especial attention to any proposals which Parliament may make.

(Interruption)

I have just one short point to make, then I will take a question.

As can be seen, I have been able to reply briefly to the rapporteur because this important task has been brought to a final successful conclusion, to Parliament's satisfaction, we hope, and in a spirit of excellent cooperation between the institutions. It is with this in mind that I should like to thank Mr Key for his contribution.

(Mr Pearce asked for the floor)

President. — Commissioner, it does appear that Mr Pearce has a question, and you have indicated that you are willing to take it. Will Mr Pearce please put the question?

Mr Pearce (ED). — Mr President, I am very grateful to you for permitting me to do this and also to the Commissioner for allowing me to intervene in this way.

I wonder what the Commissioner's view is of the catering facilities that are provided in this building, the expenses entailed and the view taken by the Court of Auditors. Bearing in mind the comments that the rapporteur made and his own culinary skills, particularly at this festive time in the making of Christmas cakes, in which I believe the rapporteur is a distinguished artist and this evening apparently excelled himself, I wonder if the Commissioner would care to comment on the quality of the rapporteur's Christmas cakes?

(Laughter)

President. — If the Commissioner feels he is competent to deal with that, the Chair has no objection. However, Mr Pearce was not here when I appealed to the House — and was getting very good response up to the time when Mr Pearce arrived — for its cooperation in trying to get the business finished tonight. The House was cooperating until you arrived, actually.

Mr Pearce (ED). — But there was no one here.

President. — That is the point. That cooperation was very much esteemed before you arrived.

Mr Pearce (ED). — Do you want me to go out?
(Laughter)

President. — Oh God, as chairman I could not possibly suggest that, but it might be a good idea.

Mr Burke, Member of the Commission. — Mr President, if I had the gift of poetry which was exhibited earlier in the evening, I might be able to frame in a suitable way an invitation to Mr Pearce to join a little committee of evaluation of the situation. Frankly, I am not technically advised on these matters at the moment.

(Laughter)

President. — I think Mr Key is anxious to have the last word.

Mr Key (S), rapporteur. — Mr President, all I can say is that I invite the Commissioner and Mr Pearce to partake of my Christmas cake which I have brought to the Parliament, and they may partake of it with a suitable refreshment. I think we can bring the question of the discharge of the budget to a very satisfactory conclusion. I thank him for his hospitality and niceness tonight.

President. — The debate is closed. The vote will be taken at the next voting time.

13. *Scientific and technical activities (1984-87)*

President. — The next item is the report by Mr Sälzer, on behalf of the Committee on Energy, Research and Technology (Doc. 1-981/83), on

the proposal from the Commission to the Council (Doc. 1-395/83 — COM(83) 260 final) for a decision on the framework programme for Community scientific and technical activities (1984-87).

I understand that Mr Sälzer has nothing to add to his written report, so I call Mr Pisani on behalf of the Commission.

Mr Pisani, Member of the Commission — (FR) Mr President, as far as the report is concerned, I can only say how pleased I am that the Council, Parliament and Commission are in agreement. As to the amendment, whilst I bow to Parliament's wisdom, I would ask it to be extremely cautious. We cannot expect scientific research to protect jobs in the particular field of scientific research. Like technological progress, scientific research can and does have an adverse impact on the jobs immediately affected. It is by measures in other areas, by another policy, that employment should be protected. We will not bring about the necessary expansion of European industry and technology by binding these policies to one another. I don't deny that we need an employment policy but I do not think it is wise to bind it up with technological policy.

President. — The debate is closed. The vote will be taken at the next voting time.

14. *European Foundation for the Improvement of Living and Working Conditions*

President. — The next item on the agenda is the report by Mr Eisma, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the European Foundation for the Improvement of Living and Working Conditions (Doc. 1-760/83).

Mr Eisma (NI), rapporteur. — (NL) Mr President, I hope that you will forgive me if I do not talk in poetical terms this time, but try to approach this extraordinarily complicated problem of the Dublin Foundation in normal prose.

The most important point for us in the Committee on the Environment, Public Health and Consumer Protection has been — and this is also noted in the report — to ensure that the Dublin Foundation does what it is supposed to in accordance with the founders' intentions. Repeated attempts have been made to achieve this by presenting recommendations at the time of the budget or discharge. The Administrative Board of the Foundation has not, however, shown itself willing to meet the wishes of Parliament nor, in particular,

those of the Committee on the Environment on any of these occasions. The Committee on the Environment therefore found it necessary to choose another way to reach its goal, i.e. that the Dublin Foundation should carry out its allotted tasks effectively.

The biggest obstacle to this so far has been the constitution of the Administrative Board of the Foundation. The main reason is that it is made up of representatives of the Member States, employers and employees. There are no representatives of environmental organizations on the Administrative Board. We must make sure that environmental research is safeguarded by the representation of the environmental organizations on the Administrative Board not of the organizations as such, but of the interests of the environment.

As Parliament's earlier attempts to improve the balance in the work of the Foundation failed, as I have already said, the Committee on the Environment found it advisable to dedicate a report explicitly to this problem, and, Mr President, because we agreed with each other that we would be as short as possible, I will briefly explain the main points of the report.

We want a reconstitution of the Administrative Board of the Foundation, a membership which is less extensive. Our proposal is that the Administrative Board will total 25 members from now on instead of 33, and that these will include representative of the European Parliament so that Parliament can also have a direct influence on the programming of the activities of the Foundation. In Paragraph 8 we recommend that the budgetary appropriations to the Foundation be divided into separate allocations related to living conditions on the one hand and working conditions on the other. This is no longer an innovation since Parliament adopted an amendment to the budget this morning with the same objective as Paragraph 8 of the resolution.

Then we request that the Commission produce a report on the possibilities of combining the activities of the European Centre for the Development of Vocational Training at Berlin with those of the Foundation in Dublin. It is a very cautious request to the Commission to establish whether there are any possibilities in this direction.

We expect — and that will be clear to you, Mr President — action from the Commission, because as I understand from discussions in the Committee on the Environment of Parliament the Commission has hitherto not been prepared nor been in a position to meet the prime wishes set out in our report. But the Commission is taking a big risk in this, because we have to say — I do not want to criticize the European Foundation in Dublin — but ultimately it must be said that a substantial difference of opinion exists on the way of fulfilling the tasks between, on the one hand, the Committee on the Environment of Parliament and Parliament as a whole — we shall see that

Eisma

tomorrow — and on the other, the Dublin Foundation. And if the Commission does not wish to act as intermediary between Parliament and the Administrative Board of the Foundation by preparing proposals for the review of the constitution of the Administrative Board, to adapt it as is needed to the real tasks of this Foundation, then we will have a continuing conflict between Parliament and the Foundation, and that is something that none of us would wish.

Mr Vernimmen (S). — *(NL)* Mr President, ladies and gentlemen, the European Foundation for the Improvement of Living and Working Conditions based in Dublin, and the European Centre for the Development of Vocational Training in Berlin, were created as part of a social policy in which the emphasis is placed on the improvement of the training of employees, the improvement of working conditions and the elimination of the harmful consequences of working conditions on living conditions in general.

After the decision-making which led to the creation of the two European research centres in Berlin and Dublin, the Council clearly wanted to give the political responsibility for the work programmes to the partners who are in fact confronted with the real problems.

Both Administrative Boards are thus drawn from four sources: there are representatives of the Member States, employers, employee organizations and a limited number of Commission representatives. Both foundations determine, via a consensus between the Administration Boards, the research projects adapted to immediate needs, in order to find solutions for the most pressing problems. The studies carried out provide the Member States, the employers, the unions and the Commission with an exhaustive analysis of the situation, so that they are fully briefed for participation in social planning.

The Administrative Board in Berlin, and also that in Dublin, are of the opinion that the proposals in the Eisma report are not practicable and are not desirable either at the present time. It is indeed impossible to merge the two institutions because their aims are very different. If the Foundation in Dublin were obliged to occupy itself only with ecological problems, this would result in competition. Indeed, neither the staff, nor the Administrative Board can put forward a solution at the moment. The worst thing would be that the Foundation would not be able to fulfil its declared purpose and that it could not successfully conclude its research into the improvement of working conditions, because the proposals, in my opinion at any rate, are not legally correct. The European Parliament would on the one hand exert a budgetary control and on the other participate in the management of the Administrative Board. I will be voting against the Eisma report for all these reasons.

Mr President, ladies and gentlemen, to clarify my point of view I wish to add here that the European Trade Union Confederation has clearly spoken out for an action programme with regard to an ecological approach to these problems.

The European Trade Union Confederation is of the opinion that the Foundation in Dublin was not founded for this particular aim but to accomplish other aims of equal priority.

Mr Ryan (PPE). — Mr President, my remarks reflect the views of my Christian-Democratic colleagues, strengthened by the fact that I am a Dubliner. For three reasons I wholeheartedly support the steps recommended in the Eisma report on behalf of the Committee on the Environment, Public Health and Consumer Protection. I support the resolution to compel the European Foundation for the Improvement of Living and Working Conditions to respect its obligations to study ways of improving living conditions, a field which the Foundation has illegally neglected to date.

Firstly, as a Member of Parliament privileged to represent Dublin, where the European Foundation is located, I resent the coupling, if only for location or identification purposes, of the name of my fair city with an EEC institution which, for reasons which have nothing whatsoever to do with the people of Dublin or with the staff working in the Dublin location, is not discharging some of the responsibilities imposed on it. The staff of the Foundation in Dublin are giving excellent service within the scope of work allocated to them by the Administrative Board. The excellence of their work in the field of working conditions is not in question. The fault with the Foundation, however, lies with the board, comprising 10 employer representatives, 10 trade unionists, 10 nominees of the 10 EEC Member State governments and three Commission representatives. They conduct the affairs of the Foundation as though it was intended to be only an industrial relations tribunal, whereas the primary call for the establishment of the Foundation in 1972 was the recognition that modern technology would reduce the amount of work to be done and, therefore, there was a need to improve the ways in which citizens, including unemployed persons, could use their leisure time.

In the past decade, when million of jobs have been lost through economic recession as well as technological innovations, the need to improve the non-working environment has become more urgent than ever. It is intolerable that the one EEC institution charged with responsibility in this field has almost wholly neglected its duty. The Committee on the Environment cannot accept that situation.

My second reason for supporting the resolution calling for reform of the Foundation arises from my obligations as a Member of Parliament's Committee on Budgetary Control. That committee, like the

Ryan

Committee on the Environment, Public Health and Consumer Protection as well as the European Court of Auditors and in turn Parliament in plenary session, has for several years reprimanded the Foundation for not attending to its responsibilities in relation to living conditions and the environment. These criticisms have been almost totally ignored by the Administrative Board, which, overweighted with contestants in the sphere of industrial disputes and rivalries, could not be bothered with issues outside workplaces.

In the interests of good financial management, monies voted by Parliament and the Council of Ministers must be expended upon the purposes for which the money was granted. No board of directors or employee has any right to vary the purposes on which voted monies may be spent. The cavalier fashion in which the Foundation's administrative board has ignored the parliamentary and Court of Auditors' reminders to attend to living and environmental conditions has created doubts about the readiness of the board even now to mend its ways. But fortunately, as Mr Eisma has reminded us, in its wisdom Parliament earlier today, in the course of the vote on the 1984 budget, decided that for next year not less than 40 % of the Foundation's research budget must be expended on the improvement of living conditions and therefore prohibited the use of such monies for any other purpose. If the Administrative Board resents this discipline, it has only itself to blame. Coming from Dublin, I want to say how pleased I am that Parliament has now imposed these controls to prevent persons outside Dublin using a Dublin-based EEC institution in a manner contrary to the institute's constitution. Dublin is especially well placed to work on the improvement of human living conditions. It is well that the Dublin-based EEC foundation will now be able to do worthwhile work in this area. Parliament's vote on the budget and what I hope will be the passage of the Eisma motion for a resolution will ensure the survival of the European Foundation in Dublin, which otherwise would be under threat.

Last, but by no means least, my Christian Democratic Group and I, in solidarity with Europe's 14 million unemployed citizens and the millions of still unregistered young people whose employment prospects are not encouraging, give our full support to the Environment Committee's motion for a resolution to oblige the Foundation to pay sufficient attention to improving living conditions and the natural, social and psychological environment. By voting for the motion for a resolution, we shall demonstrate to our unemployed fellow-citizens that because we parliamentarians care about them, we will not allow a Foundation established to improve their lot to neglect them while exclusively pursuing the selfish interest of those fortunate enough to be employed.

I am aware that there may be concern in Dublin at the request for consideration of transferring to the

Berlin Centre all work in relation to working conditions in order that all the resources of the Dublin Foundation may be devoted to the improvement of living conditions. But the European Foundation in Dublin has in its own hands to determine whether or not this idea ever sees the light of day. If the Foundation proves its ability to work on improving living conditions as well as working conditions, the need to take away any work from Dublin will not arise. I hope the Administrative Board will not hamper the staff at the Dublin Foundation, who are well capable of fulfilling the mandate to work on the improvement of both living and working conditions. If the Administrative Board fails to respect Parliament's wishes on this occasion, the case will be strengthened for a radical change in the composition of the board so that environmentalists will equal in number the representation of employers and trade unions.

Mr Kellett-Bowman (ED), draftsman of the opinion of the Committee on Budgetary Control. — Mr President, the Committee on Budgetary Control does share the indignation which has been so eloquently expressed by Mr Ryan. The committee has found the administration and the running of the Foundation to be in first-class working order. Our last discharge report contained only three paragraphs.

This research management foundation — it is not a research foundation — has been going for some years now. The dissatisfaction was raised by Mr Muntingh's resolution, and Mr Eisma's excellent report shows that he has made very proper inquiry into it. The opinion put forward by the Committee on Budgetary Control in its paragraph 17 is embodied in Mr Eisma's paragraph 9. I would support the report by Mr Eisma and his Amendment No 1, which makes an addition to paragraph 9.

But Mr President, we should be enquiring, 'What is going on here?' 'What is not going on here?' might be the better question. I see here the dead hand of the Commission. The statute requires that the chairmanship of the Board should rotate between the Commission, industry and the trade unions. But year after year the Commission has hogged that chairmanship, and there is a serious lack of the dynamism which is evident in its sister institution in Berlin. It is true to say that the Foundation's management board and the Commission — or under the guidance of the Commission perhaps — have repeatedly ignored Parliament's very proper request that it do the job that it was set up to do.

The funds are there for 1984, and we would say to that Foundation, 'Change or be changed', because Parliament will have the opportunity at the end of next year to decide whether the 1985 budget should contain money for that work to be done.

Mr President, I support Mr Eisma's report and his amendments.

Mr Burke, Member of the Commission. — Mr President, the Commission is well aware that the Parliament's Committee on the Environment, Public Health and Consumer Protection, of which Mr Eisma is rapporteur, has for some time now taken a particular interest in the European Foundation for the Improvement of Living and Working Conditions, in Dublin. At the centre of the different criticisms made about the Foundation is the feeling of frustration that the Foundation has neglected to develop a sufficiently explicit environmental dimension in its research programme. The Commission can understand the feeling of frustration emanating particularly from this Committee on the Environment, Public Health and Consumer Protection, which has, obviously, an interest in that aspect of activities.

It is always tempting I would suggest, to criticize a body whose mandate is as wide as the Treaty of Rome and yet whose resources are so limited that it is obliged to specialize its activities in a way which is bound to produce criticism from some quarter or another.

So, the debate this evening therefore is important because Parliament should allow itself the possibility to take a broad and rounded view of the balance and future orientations of this Foundation's programme. It is, in fact, provided by Article 12 of the basic statutes of the Foundation that the views of the Community institutions must be taken into account by the Foundation's director in preparing the programme.

Indeed, this is a particularly propitious moment for the expression of such views as the Foundation is now preparing its next four-year rolling programme. I would recall that the Foundation has a mandate.

"To develop and pursue ideas on the medium and long-term improvements of living and working conditions in the light of practical experience and to identify factors leading to change."

Of the five different themes under the heading of living and working conditions, only one actually refers to the environment, though of course, there is some kind of environmental dimension explicit or implicit, to practically every field of social research. I do not think it is possible to draw clear demarcation lines between the different themes.

The Foundation's statutes quite deliberately gave the Director and the Administrative Board considerable autonomy to decide on priorities and the shape of the research programme. The Foundation was set up, and I think it is useful that Parliament should bear this in mind, as an integral part of the first Community social action programme when there was unanimous agreement on the need to associate the two sides of industry in the active management of the Foundation.

The draft resolution before Parliament focuses on institutional issues and invites the Commission to produce proposals for a completely different kind of Foundation. The resolution asks the Commission to report on the complete removal of working conditions from the Foundation's remit and the transformation of Cedefop in Berlin as a consequence. I think it is not only more appropriate, but also more useful for Parliament, to use its influence on the Foundation through the means that it has available, directly, on the one hand by debating guidelines for the research programme as a whole and not only the environmental aspects, and if absolutely necessary, by using its budgetary muscle as it has done for 1984.

Perhaps it would be helpful if I remind us all that the Community's contribution to the Foundation is entered under Chapter 64 of the budget, which concerns expenditure in the social field. The Commission, for its part, intends to continue to play its rôle in the management of the Foundation. It plays an initiating rôle in the drawing up of the research programme by submitting its ideas and priorities and by discussing them with the staff of the Foundation at every stage of drafting. The Commission is satisfied that the 1984 work programme represents part of a gradual shift in emphasis towards greater consideration of the impact of new technologies and various questions more specifically related to non-work-related living conditions. For example, it was decided by the board recently, indeed on the proposal of the Commission, that 40 % of the budget of research will be for living conditions and 60 % for working conditions in 1984.

We believe this shift in emphasis can be maintained and new areas of specialization developed without necessarily trying to insist upon a rigid demarcation between living and working conditions. Parliament, I would suggest, should nevertheless beware of demanding too close a link between the Foundation's research activity and the day-to-day activity of the Commission. The Foundation's task is to produce and disseminate knowledge to assist the development of medium and long-term improvements in living and working conditions. Indeed, as has been clarified here this evening, it is as a research management institute that we must give it independence. I would suggest that we should allow it to operate on a fairly long rein. Otherwise, there is the danger that we might undermine its vocation and make nonsense of the original far-sighted intentions of those who worked for the setting up of the Foundation 10 years ago.

Mr President, to conclude I should like to say that although the Commission is unable to agree to the greater part of the draft resolution, it is, however, prepared to use its good offices to ensure, through its representatives on the Administrative Board, that Article 12 of the Foundation's statutes is complied with in a more explicit way in other words, that a

Burke

procedure is introduced where all the relevant parliamentary committees can make their opinions and suggestions known at the drafting stage of the work programme.

Mr Kellett-Bowman (ED). — In view of the tenor of the debate which has taken place, would not the Commissioner be charitable enough to agree that the lifebelt he has thrown out is a very sorry thing for a drowning man?

Mr Burke, Member of the Commission. — Were it my special responsibility to answer for the particular area involved, I might feel politically more able to respond to the tenor of this evening's discourse. I

shall undertake, though, in response to that appeal, to bring personally to the attention of my colleague directly responsible, the atmosphere of this meeting and to see what can be done.

President. — The debate is closed. The vote will be taken at the next voting time.

I should like to thank the House — all of it, present and past — for their cooperation in getting the agenda cleared, almost on time.¹

(The sitting closed at 0.05 a. m.)

¹ For the next sitting's agenda, see the Minutes.

*ANNEX I**Votes*

The Annex to the Report of Proceedings contains the rapporteur's opinion on the various amendments and the explanations of vote. For a detailed account of the voting, see Minutes.

PROPOSAL BY THE ENLARGED BUREAU (ADDITIONAL PART-SESSION 26-30 MARCH 1984): ADOPTED

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HERMAN REPORT (DOC. 1-975/83 'RULE 49 OF THE RULES OF PROCEDURE'): ADOPTED

* * *

NORD REPORT (DOC. 1-1140/83 'VOTE ON AMENDMENTS'): ADOPTED

The rapporteur was :

- IN FAVOUR OF Amendments Nos 4, 6, 13 to 16 and 18/rev.;
- AGAINST Amendments Nos 1, 2, 9, 10 and 17/rev.

Explanations of vote

Mr Chambeiron (COM). — *(FR)* Our group has always been favourably disposed towards any measure designed to facilitate and improve the work of Parliament. We have always given our backing to measures intended to make for greater consistency between the rule book and practice. This is the spirit in which we voted in favour of the Herman report a short while ago. We are fully aware of the importance of the problem which the growing number of amendments constitutes for Parliament's work. I must say in this respect that it would have been interesting if the rapporteur, who has shown us a very interesting graph, could prepare a breakdown of amendments by political groups, from which we should have seen that the failure to distinguish between legitimate political action and the sterile agitation which tends practically to paralyse the work of this Assembly is not to be found on our side of the House. But though our side of the House is not responsible for these abuses, we recognize — let me repeat this — the importance that the way we treat amendments has for the work of this Assembly.

Sometimes, however, to quote the proverb, 'the best is the enemy of the good', we should take care to avoid innovation. Personally, I should have thought that our duty was to leave the business of deciding important questions, that is to say, questions concerning principles, the whole business of deciding new rules of procedure, to our successors, bearing in mind that we are going to disappear from this House in a few months' time.

The new measures which have been submitted for our approval seem rather worrying to me. First of all, there is no doubt that they favour the largest political groups in this Assembly. These are the only ones who will be given an absolute guarantee that their amendments will be dealt with during a plenary session. That amounts to a restriction of the rights of Members of this Parliament and, in particular, my fear is that it may also amount to a restriction of the freedom to voice all the varying points of view which may be found within the political groups, which are the expression of divergences of opinion that may be found at the national level too. I am also afraid that, in spite of the good

intentions expressed by our rapporteur, there may be a danger that things will get out of control and that, gradually, purely arbitrary measures will take the place of genuine political debate, that there will be, in some way, a gradual slide towards arbitrariness.

We believe very much that the rights of Members of this Parliament should be respected ...

President. — Mr Chambeiron, your three minutes are up.

Mr Chambeiron (COM). — *(FR)* I have finished. I was saying that we believe very much in the right of Members of this Parliament to table amendments and this is the reason why we cannot give our backing, in particular with regard to budgetary matters, that is to say, the field where Parliament has supervisory powers, quasi-legislative powers ...

President. — Mr Chambeiron, I must stop you.

I call Mrs Vayssade.

Mrs Vayssade (S). — *(FR)* On behalf of the Socialist Group, I wish to inform the House that we shall vote in favour of the Nord report, which was the subject of long and detailed discussions at meetings of the Committee on the Rules of Procedure, where many different points of view were set out. I think that Parliament's consultative work on documents tabled by the Commission may be distinctly improved by these new measures and may give Parliament the means of acting more consistently. It is true that this system of second readings means that the tabling of amendments may be confined to plenary sessions, but the right to table amendments is not initially limited in any way and the rights of all political groups in this field are preserved. That does not seem to me to be a Draconian limitation.

Mr Eisma (NI), in writing. — *(NL)* We greatly admire Mr Nord's persistence in trying for eighteen months to reconcile the irreconcilable.

We believe that the proposed new procedure will save some time at plenary meetings, but that overall it will be more costly and time-consuming than the present procedure. In particular, we are totally opposed to the provision whereby groups of 21 Members may bring up for discussion at plenary meetings amendments which have only received two votes in their second committee readings. This would be certain to cancel out any time-saving. The only people who stand to benefit are enthusiastic Members who repeatedly table 21 amendments.

Fortunately, the amendments by Mr Luster and Mrs Castle have now been drawn up. This has tipped the balance in our favour, and I shall now be voting in favour of the amendment.

* * *

1984 BUDGET¹

PFENNIG REPORT (DOC. 1-1214/83 'SECTION I — PARLIAMENT'):
ADOPTED

PFENNIG REPORT (DOC. 1-1167/83 'SECTION II — COUNCIL/SECTION IV — COURT OF JUSTICE/SECTION V — COURT OF AUDITORS'): ADOPTED

SCRIVENER REPORT (DOC. 1-1165/83 'SECTION III — COMMISSION'):
ADOPTED

¹ The opinions of the Committee on Budgets are contained in the Scrivener report (Doc. 1-1165/83/Annex).

Explanations of vote

Mr Maher (L). — I am supporting this budget because I believe it is the only responsible action that this Parliament can take at a time when the Community is suffering from a high degree of destabilization resulting from the failure of the Athens Summit. For this Parliament to do anything else would add to that destabilization, and I believe that our electorate would not understand.

I therefore support this budget on the basis that it is good for the future of the European Community.

Mr Romualdi (NI). — *(IT)* The failure of an ill-prepared and mismanaged summit meeting, such as that of the Heads of State or Government held in Athens, and the resultant dejection and wave of anti-European feeling must not be allowed to make our Parliament lose its sense of responsibility and proportion — not to mention our will and ability to react — since we are now called upon to vote on the budget, and we of the Italian right propose to do so.

It has to be admitted that the budget is not satisfactory, and we have serious reservations about it on constitutional grounds alone. It is yet another manifestation of the Council's obtuseness and short-sightedness and also of the obsolescence of some institutional forms and practices which we must make a serious effort to replace. However, the budget also gives Parliament the chance to give proof of its own moral strength and political intelligence, as well as the will and ability to do its utmost to emerge from the perverse logic of the recession, and thus ensure the continuation of a policy which is and must continue to be a unifying force in Europe, notwithstanding the difficulties and conflict which may be encountered, namely the convergence of the interests and aspirations of our peoples in the course of an integration process which the inadequacy and errors of our Heads of State or Government must not be allowed to disrupt.

Mr Møller (ED). — *(DA)* Just because the Heads of State or Government lost their heads in Athens, it does not mean to say that we should screw off our own heads and carry them under our arms when we go to the vote. We could, for instance, do the job we have to do and then look at the political development afterwards. I have deep respect for the work done by Mrs Scrivener and the Committee on Budgets in general, as well as that of my party's speaker, Mr Balfour, and I would like to say now, as I said about Mrs Castle's proposal at the start of the part-session, that I shall vote for a budget, because the European Communities must have a budget for 1984, and if we do not adopt it today, we run the risk of jeopardizing the Community's future.

Mr Langes (PPE). — *(DE)* We in the Christian-Democratic Group have spent a great deal of time trying to find the right solution. Today's result shows that over 60 % of Parliament's elected Members have made the right decision in accepting the budget. We did not want to change or destroy anything, just explain clearly the new policies and our aims with regard to development aid to combat world hunger. We also wanted to make it clear to the British people, Mr Balfour, that what we need in the Community is new financial order, instead of just dragging Europe along every year. I would ask our British Members to think carefully about the suggestion that Britain would be discriminated against if the funds were placed under Chapter 100. As a German Member of Parliament I have never felt discriminated against for belonging to a country which is apparently a net contributor. I believe that solidarity among the Member States, especially between the richer and poorer countries, should be our prime concern.

Mr Adam (S). — I am voting against this resolution for the same reason that I voted for rejection of the budget. The 1984 budget does nothing to create jobs for the 13 million unemployed in Europe. What is worse is that the research projects essential to the regeneration of European industry are inadequately funded. The future prospects are grim indeed.

The failure of the Research Council this week to give the signal for full steam ahead to the Esprit programme merely underlines the current political paralysis. This week has been dominated by high European political theology more reminiscent of the Dark Ages. We have been arguing about how many angels can dance on a pinhead. We have forgotten, or taken no notice, that 13 million have already fallen off. It is back to the Dark Ages in relative economic terms that Europe in its decline is now retreating.

Mr Adonnino (PPE). — *(IT)* My colleague Mr Lange has already outlined some of the reasons why the European People's Party proposes to vote in favour of the budget.

I should like to stress how pleased we are with the outcome of the voting on the budget and the vote in favour of Mrs Scrivener's resolution, and I should like to express my appreciation of the way in which she has conducted this procedure.

What I should like to emphasize above all — and this is one of the main reasons why we are voting in favour of the budget, Mr President — is that, in adopting this course and voting overwhelmingly as it has, Parliament has given a very clear indication of its awareness of its responsibilities as a key institution in this Community. This is particularly important in view of what happened in Athens and the signs of decline which are to be seen in the other institutions.

I feel that Parliament had the duty to act as it has done. It did after all opt for a strategy which was acclaimed and commended even by the Commission at the first reading, and it has succeeded in reinstating this strategy at the second reading, the only drawback — and I stress drawback — being the agricultural reserve, about which the Scrivener resolution is very specific, as is the invitation issued to the Commission and Council for the next moves. These are, I think, fundamental reasons, for one thing because we are of the opinion that the Community is not furthering its own development by careering from one crisis to the next and thus bringing routine activity to a standstill and — what is even more serious — preventing the introduction of new policies. This budget contains provision for the funding of the Esprit programme which will now be able to go ahead, and we believe that it is a significant achievement to have brought this about with our vote.

These are the reasons why we are voting in favour of the budget and why we should like once again to express our satisfaction to all our Parliamentary colleagues for this morning's vote.

Mr Notenboom (PPE). — *(NL)* In this gloomy period in Europe's history we think it reasonable that Parliament should now be adopting a budget, even though we are choosing between two evils, and for this we shall always be grateful to Mrs Scrivener.

We know that amendments are necessary, but it is better that they should be tabled quickly on the basis of the existing budget than on no basis at all. It is a pity that we could not maintain the balance between the various headings in Chapter 100, that is, repayments and agriculture. If the Commission had, on its own initiative, proposed an amendment along similar lines to that requested by Parliament, some of the bitterness which I perceive today might have been avoided. But I repeat, the placing in Chapter 100 of funds for two Member States is not directed against any particular countries; the funds are provided for in the budget and will have to be paid. Friends in the Conservative Group, the people of Europe have had enough of the yearly tug of war in trying to balance in-payments and out-payments. That possibility is now excluded, but the funds will be used where they are meant to be used.

Mr Baillot (COM). — *(FR)* I should like to inform the House of the position of the French Communists and Allies with regard to the second reading of the budget.

On the question which strikes us as of fundamental importance, namely the question of the British contribution, we voted like the majority of the members of this Assembly in favour of the constitution of a reserve under Article 100, with all the implications that flow from that decision and with regard to which we have already given a lengthy explanation.

The budget, in the form in which it has been adopted, does not give rise to any major objections from us. Nevertheless, we shall not vote in favour of the resolution tabled by Mrs Scrivener which takes up once again — no doubt regretfully, but nevertheless in the form of a significant political measure — the idea of constituting an agricultural reserve of 5% of the FAGGF appropriations. We have said on many occasions, and we shall repeat it again now: we refuse to participate in anything which is intended to undermine the common agricultural policy, even though — as we have said time again — we are in agreement with a policy intended to control agricultural expenditure and restore it to balance. That is the reason why we shall abstain on Mrs Scrivener's resolution.

Mr Van Rompuy (PPE). — *(NL)* I think that Parliament has today missed an opportunity of making clear to the Council and the Commission its dissatisfaction concerning the situation in the Community.

Some time ago Mr Dankert announced as President of Parliament that he would resign if the Athens Summit failed. Most Members of this House came here to reject the budget if the Council and Commission cannot agree with our viewpoint. We now find that we have to approve a budget which is in fact impossible to implement. I see Parliament's primary function as a supervisory one: it should not try to take the place of the executive bodies. There is no future for Parliament unless it can strengthen its authority and dares to challenge the Council and the Commission if they disregard its wishes. Our approach smacks of defeatism. This is not the best way of making it clear to the general public six months before the elections that Parliament is firm in upholding its views, and that is why I shall not be voting in favour of the motion tabled by Mrs Scrivener.

Mr Hord (ED). — I believe that today Parliament has actually taken leave of its senses. In voting as it did, it put the victim, the United Kingdom, in the dock and sentenced it rather than dealing with the guilty party, which is excessive agricultural expenditure.

It is quite clear that the shape and content of the proposed 1984 budget is totally unrealistic and should have been rejected. We have seen today a pernicious act of discrimination by the representatives of the nine other Member States against one — the United Kingdom, and this same action has been taken despite Parliament's resolution at the first reading not to discriminate against one Member State. This action in my view is irresponsible, provocative, negative, and not only counterproductive, but very damaging to the Parliament and to the Community as a whole. I sincerely hope that the governments of the other nine countries will appreciate that the course set, which has been supported here today by everyone but members of the United Kingdom delegation, is a disaster and that they will realize, before it is too late, that without major reforms for agriculture and the budget, the European Community, unfortunately, would have no future.

I shall vote against the resolution.

Mr Enright (S). — I first of all wish to disassociate myself from the craven cowardice of the British Tories, who had the hypocrisy to vote for all the measures for their farmer friends and then vote for the rejection instead of joining with Mrs Castle's motion, which was asking, not for a battle for Britain, but for a battle for equity and transparency in this budget. What is wrong with this budget is that we have voted for a bill, we have voted for a sum of money to be spent but we have not signed a cheque to spend that money: that in any other sphere would be considered criminal and fraudulent, and that is what this Parliament has been today. I cannot, on any account, support the criminal fraudulence that exists in the Scrivener report, and I shall not be supporting it.

Mr Arndt (S). — *(DE)* I would like to say on behalf of the Socialist Group that we approve of this report. We find the motion for a resolution for Mrs Scrivener's report excellent; indeed, it is among the best which have been submitted to Parliament in recent years. The motion does, however, have one minor defect — the budget should have been rejected rather than accepted in the explanatory statement. I am only making this observation because everything in the motion for a resolution is true and expresses Parliament's position. The logical consequence, however, would have been to ask the Commission and Council to produce a new budget.

I would thus like to comment on and put right certain unkind remarks made in today's debate and in the explanations of vote. It is claimed that the Socialist Group adopted its position with regard to the budget in the light of the Athens Summit. This is not true and we have never made any such statement. Our position on the budget was more the result of concertation. The remark made by the rapporteur, Mrs Scrivener, that the Committee on Budgets had never felt inclined to reject the budget is also untrue. During the first concertation session on 22 November 1983, she herself stated, when asked what would happen if all the proposals by the Committee on Budgets were rejected, that the Committee was not prepared to go to any lengths to produce a budget. Since all the Committee's proposals were turned down during concertation, she should have acted consistently and maintained her position: she changed her mind, however.

I am disappointed at the behaviour of the Conservatives and would point out that after we Socialists had been outvoted, we naturally tried, as democrats, to make the best of the budget. The Conservatives, from the very moment that the question of the British contribution was decided against them, declined to take part in any votes and are thus refusing to help the European people. They may call themselves European Democrats, but this incident shows that they are neither Europeans nor Democrats. I therefore find it regrettable that the situation has turned out this way and I would ask the House to take another look at the motion for a resolution before it is too late. This says that a supplementary budget must be adopted as soon as possible; in other words, the Commission and Council are being asked to repair the damage without delay.

Since we are of the same opinion, we shall be voting in favour of the motion.

Ms Quin (S). — Mr President, I have been deeply disappointed at the budget votes which have taken place here this morning. While I fully understand that the Parliament wants to put political pressure on the Council in favour of a long-term budgetary solution, I cannot understand why the Parliament should want to exert such pressure by using a method which only penalizes one country. I say 'one country' because, although the decision on the rebate affects the Federal Republic of Germany too, we all know that the adverse political effects of this decision will only really be felt in Britain. If the Parliament wishes to protest at the budgetary failures of the Council, it should do so in a way which shares the burden of disadvantage fairly, which is why I hoped for the rejection of this budget.

Finally, like Mr Enright and Mr Arndt, I would like to say that I, too, condemn the attitude of the British Conservatives in refusing to vote the necessary expenditure on regional, social, environmental and development measures, and I do not see how they can seriously claim to be concerned about these areas of policy if they are not prepared to put any money in the budget for them. It is they who, by their votes here this morning, have shown that they are not interested in the disadvantaged and the poor in the European Economic Community.

Sir Fred Catherwood (ED). — I thought until today that this Parliament embodied the spirit of the Community and that wherever the spirit of nationalism flourished, it was not in the majority of this Parliament. Those of us who have fought, Mr Arndt, the narrow spirit of nationalism in our country exemplified by your colleague Mrs Castle — that is why we did not vote for her — received a very severe setback today. We had finally won, we hoped, the battle against Mrs Castle and her followers on your benches for a Community where no one any longer had to fight for national interests — the fight that cost 50 million dead this century — since national interest would be accommodated in the Community, and we have had a big swing in public opinion against the Labour Party and in favour of the Community. We hoped that we could go on to a new constitution where it was not necessary to retain the veto, which makes the present constitution unworkable and which is the real cause of the crisis. But we still had to win that argument at home against Mrs Castle and her followers in the Labour Group, and it was vital for the future of the Community that we win the argument and get the conduct of European affairs on a proper basis with majority voting. That is what we are for. Now we told colleagues in

private that a budget which explicitly demonstrated against the United Kingdom would, however unimportant it seemed to them, be a major setback to us in all our efforts. Instead, you have told us today that that is our problem. It is not our problem: by refusing to listen to our advice, you have now made it your problem; you will have now ten times as much difficulty in removing the veto, and the crisis in this Community will now continue as a result of the vote that you have made today.

Mr Bonde (CDI). — *(DA)* I would like to congratulate the members of the Danish delegation belonging to the parties of the centre and right for putting themselves at odds with the Danish government and the parties they represent, for example by approving today unlawful appropriations of 15 million Danish kroner.

Parliament is exceeding the amount available by 1 000 million Dkr. in payments and 2 500 million Dkr. in liabilities. In legal terms, this must mean that all amendments are invalid and that the Commission must be obliged to implement the Council of Ministers' budget. Parliament has reclassified compulsory expenditure as non-compulsory in order to have the final word. This power is being taken from the national parliaments and is in direct conflict with the agenda approved by this House yesterday. Parliament has established new own resources, a matter normally the prerogative of the governments of the ten Member States. And finally, the fourth point, Parliament has introduced a series of notes which make it possible to legislate via the budget.

Mr President, these are four definite, clear-cut cases of violation of the law in a single budget vote. We hope the voters will use the EEC election in June to settle up with those, including those in the Danish delegation, who apparently are not acquainted with Denmark's constitution.

Mr Balfe (S). — I shall be voting against this resolution for reasons which will be fairly clear to Members in that this is not a just budget, it is not an equitable budget, though I do not believe that the solution to the problem actually lies along the path pursued by Sir Fred Catherwood in the wake of Mr Balfour.

We are not going to get anywhere if we spend our time in this Parliament attacking each other. We have an interest in getting this money back to Britain for spending on social measures for the benefit of working people in Britain. Inter-party debates will not get that money back. Attacks on Members of either side will not achieve that object. The fact is that the money, by being put into Chapter 100, is not available for spending on social measures; it is not available for the alleviation of unemployment; it is not available for the alleviation of social distress, for the energy projects or for the transport projects that we all want.

What I will now challenge all Members in this Parliament to do is to solve this problem. I think that General de Gaulle probably pointed towards a solution and that a symbolic absence from this Parliament of the British delegation for one month might actually be the next step. I would challenge the Conservatives to think along those lines.

Mr Alavanos (COM). — *(GR)* We representatives of the KKE will vote against the Scrivener motion, as we previously voted against the budget as a whole, but for reasons which differ considerably from those put forward by Mrs Castle; I believe that the motion goes against the interests of the small Greek farmer and the workers. We should not let the trees make us lose sight of the wood, and should realize that the policy enshrined in and used by the budget would cripple small farmers and workers. We especially want to emphasize the fact that resources are being shamefully wasted for the benefit of the people living in the large capitalistic states, as is evident from the niggardly appropriations being granted to the small Mediterranean countries. There is also a tendency, even within the context of Article 100, for resources to be distributed in favour of countries such as the United Kingdom and West Germany.

Finally, I wish to express my disappointment at the paralysing effect of the entire budgetary proceedings on joint action by the forces representing the people within the European

Parliament. On the one hand, those representing the small farmer are to be seen taking sides with the Nestlé and Unilever representatives, and on the other, the forces representing the workers, which are aligned on all the other major political issues of our time, are to be seen at odds with each other when it comes to dealing with these problems relating to the distribution of budget appropriations.

Mr de Courcy Ling (ED). — On behalf of the Committee on Development and Cooperation, I should like to explain that the majority of my colleagues in that committee will be voting for this resolution and are satisfied with Title 9 of the budget.

I think that the most important factor in the politics of the Community at the moment has been a collective failure of leadership at the European Council in Athens, but this has been illustrated even more recently by the failure of the conciliation procedure this week between the Council and Parliament. We in the Committee on Development and Cooperation believe that we have seen a piece of gross insensitivity and recklessness on the part of the Council of Ministers, particularly with regard to Title 9 of the budget. Therefore I would warn the Council solemnly at this stage to take note of our Amendment No 52, which provides for the inclusion of the European Development Fund in our budget. We shall insist — and Mr Pisani and the Commission, I know, support us in this — that from 1985 the new European Development Fund should be subject to parliamentary control.

Finally, I should like, on behalf of the Committee on Development and Cooperation, to thank Mrs Scrivener for her cooperation with our committee in relation to Title 9.

Ms Clwyd (S). — I shall be rejecting this resolution for several reasons.

First of all, I wish to attack the hypocrisy of the British Conservatives, the so-called European Democrats.

(Protests from the European Democratic Group)

The people of Britain will be asking today whether you can really trust a group which is led by a farmer, by the former President of the National Farmers Union, which is so dependent on the support of farmers for its electoral results, and whether you can trust a Prime Minister in Britain who is totally dependent on farming support actually to reform the common agricultural policy. I think the answer is quite plain. The Council has failed in Athens. It has failed on many previous occasions. It has failed because one of its Ministers is the British Agricultural Minister, who constantly votes for continuing high support prices for farmers. Now the people of Britain will be right if they do not trust a group like that to support them in the next European elections.

I shall also vote against this resolution because it has failed manifestly to redistribute the budget in favour of the Regional and Social Funds. Again that group has been shown to be hypocrites because they have failed to vote on the occasions when they could have supported extra money into the Regional and Social Funds.

Further, we were elected four years ago on a manifesto to reduce the inequalities between the rich and the poor. In fact, the inequalities have got larger. I suggest that the British Prime Minister now seriously considers withholding any further budgetary contributions until this Community has sorted itself out.

Mr Harris (ED). — Mr President, I am grateful for being allowed to make this point of order. On several occasions Members of the Labour Party have accused Members on this side of the House of not voting for the Regional Fund. That is completely untrue. That vote was taken before the crucial amendment where we voted against the budget. The allegation is completely wrong, and I would ask them to withdraw it.

President. — Your statement is noted.

Mr Collins (S). — I trust that the squeakier Members in the rabble across there will be controlled while I am speaking.

I certainly intend to vote against this resolution because it seems to me that this morning this Parliament has failed to grasp the real problem of the Community. There are 8 million farmers in the Community at the moment and there are rather more than 13 million people unemployed. Yet, in the budget the priorities reverse this, with 10 billion going to agriculture and mere peanut shells — not even the peanuts — going to the people in the areas in desperate need. In addition, there is no solution to the grotesque injustice to certain Member States so far as their payments to the budget are concerned. I am very, very distressed that we did not grasp the nettle this morning and reject the budget.

However, when that vote was lost I decided that what was important was to make the best of a very bad lot. It is important to get money into our work on development: on the environment and on energy, and so I have voted accordingly. To do otherwise was to be a dog in the manger. To do otherwise was to be the real wrecker of the Community. To speak frankly, how these people over there, how the Conservatives, after their shabby and sordid tactics this morning, can now claim to be anything other than real wreckers in Parliament, the real anti-Europeans and the real nationalists, I do not know. But I suppose that with their customary capacity for hypocrisy and humbug — and there is one sat there right in the front — we shall still hear them trying.

Mr Griffiths (S). — Before I give my explanation of vote, I would like to point out that the occasion that we were referring to in relation to the Regional Fund was when all but two or three of the Conservative Group voted against the amendment from the Committee on Regional Policy and Regional Planning. That would have meant 220 m extra ECU in the Regional Fund of which round about 55 m would have come to Britain. So, in other words, they voted against £ 30 m coming to Britain out of this particular fund.

I will be voting against the Scrivener report for the same reasons that I voted earlier against the 1984 budget. This budget does virtually nothing at all to deal with the problems of overspending in the agricultural sector, as massive food surpluses continue to grow. The 13 m unemployed of the Community are virtually ignored. The poor and economically weak regions will get little comfort from this budget, because not only are the direct resources of the Regional and Social Funds still far too small, but the big spending agricultural sector helps the wealthy farmers and regions and contributes to the growing differences between rich and poor in the Community.

At Athens last week, the Heads of State showed little will to deal with these problems. Their inaction there was on a par with Nero fiddling while Rome burned. The sooner a crisis in Community finances forces the Heads of State to face up to the problems of unemployment in the Community, the wasteful and excessive spending on agriculture, the need for a fair deal for the United Kingdom and everybody else in their budget payments and the need for a fair deal for consumers, the better it will be. If the Community cannot respond to this challenge, no new hope will be given to the unemployed and the poor of the Community.

President. — Mr Griffiths, you have exceeded your speaking time. I am sorry; you must stop.

Mr Balfour (ED). — We voted against most of the amendments and we are about to vote against a resolution. We do this with real sadness. Unlike our political opponents across the Chamber, we do not glory in the misjudgments of this House. Parliament has acted with unbelievable lack of understanding. You have severely damaged the reputation of this Parliament among the people of Britain and we are members of this institution which you have damaged.

It cannot be right for a democratic institution like this which wants decision-making in Europe to be done by majority voting to show how easy it is for it to disregard fundamental and legitimate grievances of an entire people. The people of Britain will expect action and they will expect it by 31 March.

(Applause from the European Democratic Group)

I have personally done everything I can both here and in my own country to uphold the Community interest and the concept of the Community's own resources in our difficult budget discussions, but I am no longer able to support a system which is so wilfully unjust by lack of decision at Council level and now by the conscious decision of this House. I placed considerable trust in the word of this House in October and in its solemn declarations never to discriminate against any Member State. My trust was utterly misplaced. There is too much mistrust already and there will be much, much more after this foolish and cowardly show of *machismo*.

I will now allow myself a personal remark, which I make not in the name of my group. I never thought that the circumstances could exist which could lead me to the conclusion that withholding payments could be justified on Community grounds. In the interests of Community justice and equity it will, in my view, be utterly impossible for the British Government, as the collecting agent of the Community and answerable to the Community taxpayers in Britain to resist the pressure to place all or part of the British people's Community taxes from the end of March into its own Chapter 100, into its own reserves in the Bank of England. Parliament, I think, agrees, because you asked for a final decision that must be taken by 31 March. You bet it will!

(Applause from the European Democratic Group)

Mr Blaney (CDI), in writing. — There are many parts of the 1984 budget, as it has emerged from the budgetary procedure, which I am not happy about. Nevertheless, I shall vote in favour of it, because I am sure that a rejection at this stage would not result in a better budget, and would cause more problems, especially for the farming community. I regret that the Council was so restrictive in its attitude. I regret that more funds have not been made available for regional development, and that there is still a ridiculously small sum available for improvements to agricultural structures, to help keep farmers on the land, and for making a reality of the fisheries policy. In the longer run, we need a very different budget, using the available funds better. We need changes in the farm policy so that we stop pouring money into unnecessary grants to factory farms or into the processing industry, or picking up the bill that results from a growing flood of imports of cereals substitutes and vegetables fats and oils, and that instead the money should go where it is needed, to the small farmers of the countries where farming is a major and vital part of the economy. I accept this budget as the best we can get. But I insist that the time has come to make the changes that will give us the fair and balanced budget the Community deserves.

Mr Di Bartolomei (L), in writing. — *(IT)* I feel that our British colleagues and the other signatories of the motions against the budget are proposing a cure that is worse than the ailment. The tensions which we are both witnessing and experiencing are so great and complex that a vote against a budget — albeit a budget which for various reasons is almost universally considered unsatisfactory — would merely afford further reasons for uncertainty and tension. It would exacerbate beyond measure the conflicts and doubts which we are attempting to resolve and overcome.

In approving the budget, it is our intention to perform an act of political responsibility and put it on record that we consider the Community budget to be something more than a mere accounting instrument. We regard it as the fundamental document on which all the Community's activities hinge, and a yardstick for measuring the powers of this Parliament, even against the Community's other powers.

We accordingly feel that it would be a major political error to reject the budget at a time when we are battling fiercely to uphold Parliament's powers and are even planning to increase them in February by approving — as I trust we will — the draft of the new Treaty. The policy of *juste retour* insisted upon by the British Conservatives and similar requests from all the nationalistic groups impede the development of a Community outlook.

This is why we wish the budget to be approved in the form approved by the Budget Committee. We must make it clear that the European Parliament wishes to get over the crisis which was exposed in all its gravity at the Athens Summit. Is it apparent that the progress of the Community is being sacrificed to an obsession with national interests. By acting responsibly we must expose the irresponsibility of the other institutions which have put the Community jeopardy. We must make it clear that Europe must be built on unity not on conflict. In fairness I will say that the Commission's budget proposals should be approved because they reflect the strategic decisions evolved in the first reading, which are decisions for a Community approach which the Europe of the national States opposed once again yesterday, during the final attempt at reconciliation which was made at the meeting of the representatives of this Parliament with the representatives of the Council and the Commission. The Council's reply to our proposal for an overall relaunch of the EEC was further indiscriminate cuts in the compulsory expenditure sector.

So this budget should not be rejected; within its limits, it does reflect a Community outlook and it is the essential prerequisite for Europe's survival or at least for the survival of what has been achieved to date. For it is only if the budget is approved that all the common policies can be renewed.

We are about to embark upon a new era. The problems which were not resolved in Athens all stem from an outlook which in some respects is nationalistic and which in others is corporative. The reform of the common agricultural policy, the strengthening of the structural funds, the development of new policies, the solution of our financial problems, the accession of Spain and Portugal and an increase in the Community's own resources can only be achieved with an all-round resolve to shoulder our responsibilities once again. I should like to hope that the Athens Summit showed the Community spirit at its worst and may at the same time mark the start of a recovery.

Mrs Ewing (DEP), in writing. — I will not vote for the rejection of the budget; that would be counterproductive and an empty gesture.

The CAP may be imperfect, but my constituents are dependent upon it, particularly since the Conservatives have so cruelly dismissed the possibility of an EEC-financed £ 450 m ADP in the Highlands and Islands.

I shall vote against the freezing of the UK refund, although I am opposed to Mrs Thatcher's methods. The need for a refund would be reduced if the UK Government made more positive attempts to obtain EEC aid for desirable programmes such as the ADP.

The *juste retour* argument may not be wholly justifiable in European terms but it is completely justifiable in the internal UK context. Scotland receives very little benefit from Scottish oil and whisky revenues. These exceed the entire EEC Budget. In supporting *juste retour* on this occasion, I am supporting the need for its immediate application internally in the UK.

Mr Habsburg (PPE), in writing. — (DE) It was no easy decision not to answer the call of a large number of staunch Europeans to reject the budget. It would have been gratifying to take firm action in reply to the Council's pathetic performance in Athens, but this would have served no purpose. It would have been pointless to damage the situation still further. In this time of political and economic crisis we must act responsibly and cautiously — and that means choosing, if need be, the lesser of two evils. That is why I am in favour of the present budget.

In other words, let us, for the time being, leave the Council to the reactionary, sterile attitudes of petty nineteenth century nationalism. We are not the representatives of national bureaucracies but of the people of Europe. As such, we should consider it our duty to mobilize the voters into persuading their representatives in the national parliaments to change their governments' attitudes towards Europe. Nothing would be more irresponsible than to throw in the sponge. For despite Athens, the future belongs to a united Europe.

Mr Kyrkos (COM), in writing. — (GR) The KKE-es will vote for the budget submitted by the Parliament Committee on Budgets because it does not want to provoke a dramatic deadlock, since it would be the Community's farmers who would be the first to feel the repercussions. We are willing to vote in support of all Community initiatives necessary for a budget aimed at development, the encouragement of new technologies, the convergences of Community economies, the fight against unemployment and the restructuring of the CAP for the benefit of needy farmers. The fight against the reactionary policy of financial austerity will continue, with emphasis on an increase in internal resources, and the just distribution and proper administration of these resources, so as to bring about an overall recovery in the Community economy.

Mrs Lizin (S), in writing. — (FR) I shall vote in favour of this budget because the period of crisis through which our European ideal is going at present does not need to be aggravated by an additional budgetary crisis, which the people of Europe would not understand at all. As a parliament, we must show that we alone are responsible for the future. We must show that we are able to guarantee continuity and to take charge of it.

A budgetary crisis would have created a serious vacuum, a vacuum which would have been bad for Europe and, above all, bad for certain classes of society, whose lives and working conditions depend almost completely on this Europe: I am thinking of Europe's farmers, who are quite right to be worried and whom we must reassure.

In future Parliament will guarantee continuity. It must do so by reorientating this Europe, by giving it the means to implement a more complete industrial policy, and a social and regional policy. We have chosen the right occasion: let us learn the lesson of it and let us keep a sense of responsibilities, such as our voters expect of us.

Mr Marshall (ED), in writing. — This budget is blatantly unfair and is a further example of the irresponsible attitude of many in this Parliament, who have pushed for higher farm prices but believe that the burden of financing these increases should fall on only two countries.

The Community is rushing towards a financial crisis, and this budget makes this more likely.

The British Government has made it clear that it wants a long-term solution to avoid these terrible annual wrangles. It was another government which prevented this. Until we have a fair system the whole Community is inherently fragile. I regret the efforts of others both to prevent a long-term solution and to freeze the UK rebate.

They must not be surprised if the UK Government decides to withhold money. I believe that such a threat is the only way to bring sanity to our budget. Then the Community can proceed sensibly, because until the budget is patently fair progress will be slow.

This budget is bad for Britain and bad for Europe. I cannot support it.

Mr Ryan (PPE), in writing. — Notwithstanding our disappointment at the size and shape of the 1984 budget, we are voting for it because to fail to adopt a budget would only aggravate the crisis irresponsibly created by the failure in Athens of the Heads of State or Government to live up to their European responsibilities by increasing the Community's financial resources. The shortcomings of the 1984 budget belong to Europe's undemocratic institutions — the Commission and the Council of Ministers. The budget's progressive items are victories won by directly-elected parliamentarians despite the opposition of national governments and the Commission's lack of courage.

Europe's 14 million unemployed and all concerned citizens will find incomprehensible the failure of the Council of Ministers to agree to Parliament's demands for a worthwhile budget to overcome the scourge of unemployment. Because United States and Japanese industries are organized to the full extent of their capacities and markets, they are able to achieve economies of scale and technological improvements unknown in Europe. It is simply appalling that the Council of Ministers should flatly refuse to sanction funds for an industrial policy to help Europe meet the challenges of the last two decades of the 20th century.

With most of Europe's citizens, for better or worse, living in cities it has become increasingly urgent that the European Community implement an extensive programme of urban renewal and improvement. In calling for such a programme, Europe's directly and democratically elected parliamentarians are voicing the calls of their electors for a humane environment in our cities. It is gravely disappointing that hard-hearted Ministers decline to respond favourably to the wishes of Europeans living in decaying cities.

The procedure of voting in principle on whether to adopt or reject the budget, before its final form is known, is of course most unsatisfactory. But at least the necessity to do so concentrates the mind on a matter of principle. Whatever the outcome of the 1984 budget or any annual budget, it must be a compromise. But compromise is certainly preferable to crisis or stalemate, the kind of paralysis generated by the refusal to compromise recently — to their shame — by the Heads of State or Government in Athens.

Let Parliament pass the 1984 budget to prove that this elected Parliament instituted under the Treaty of Rome is superior to and more effective than the European Council of government leaders, which is as legally illegitimate as it is Community-wise unhelpful.

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MOTIONS FOR RESOLUTIONS 'LEBANON'

— GLINNE (DOC. 1-1179/83): ADOPTED

— GLINNE (DOC. 1-1192/83): REJECTED

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**MAIJ-WEGGEN MOTION FOR A RESOLUTION (DOC. 1-1184/83/
CORR./REV. 'SOCIAL FUND 1984'): ADOPTED**

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**GLINNE MOTION FOR A RESOLUTION (DOC. 1-1190/83 'VOTING
RIGHTS'): ADOPTED**

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MOTIONS FOR RESOLUTIONS 'CONSUMER PROTECTION'

— COLLINS (DOC. 1-1156/83): ADOPTED

— SCHLEICHER (DOC. 1-1186/83): ADOPTED

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**KLEPSCH MOTION FOR A RESOLUTION (DOC. 1-1188/83 'POLISH
FARMERS AND CRAFTSMEN'): ADOPTED**

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**WAGNER MOTION FOR A RESOLUTION (DOC. 1-1205/83/REV. 'STEEL
INDUSTRY'): ADOPTED**

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MOTIONS FOR RESOLUTIONS 'HUMAN RIGHTS'

— BEYER DE RYKE (DOC. 1-1183/83)

— CROUX (DOC. 1-1185/83)

— GLINNE (DOC. 1-1202/83)

REPLACED BY AMENDMENT NO 1 WHICH WAS ADOPTED

— SIEGLERSCHMIDT (DOC. 1-1201/83/REV.): ADOPTED

— WEDEKIND (DOC. 1-1187/83): ADOPTED

— VAN MIERT (DOC. 1-1199/83): REJECTED

— LADY ELLES (DOC. 1204/83): ADOPTED

— SOCIALIST GROUP (DOC. 1-1206/83): ADOPTED

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MOTIONS FOR RESOLUTIONS 'NATURAL DISASTERS'

— BANGEMANN (DOC. 1-1136/83): ADOPTED

— LAGAKOS (DOC. 1-1189/83): ADOPTED

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**BAUDIS REPORT (DOC. 1-979/83 'TRANSPORT INFRASTRUCTURE'):
ADOPTED**

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HOFFMANN REPORT (DOC. 1-917/83 'GOODS BY ROAD'): ADOPTED

Mr Seefeld, deputy rapporteur, was:

— IN FAVOUR OF Amendments Nos 15 to 18;

— AGAINST Amendments Nos 2 and 6 to 14.

Explanations of vote

Mr Albers (S). — (NL) Losers are not necessarily in the wrong, of course, but I would not like any misunderstandings to arise on this issue: I find the Commission's proposal excellent, since it aims at the gradual liberalization of the transport of goods by road. It is to be regretted, therefore, that the protectionist amendments tabled by the Transport Committee have been accepted. Their aim is to fix the number of licenses granted over a fairly long period — something which is not feasible in a growing market. It is in fact an impossibility, an impossibility recognized even by the Committee. And because my own amendments, the objective of which was to persuade Parliament to adopt a compromise, have been rejected, I feel I have to vote against the motion for a resolution, just as I had to vote against the draft directive.

In my view, Mr President, these amendments weaken Parliament's position, including its position in its case before the Court of Justice, because it does not give the impression of being seriously interested in creating a Community transport policy.

Mrs Boot (PPE). — (NL) This is the first time that I have given an explanation of vote in this House. Very often and in many different ways I have heard Members of this House plead for a strengthening of the Common Market. The Commission proposal to make the transport of goods by road more flexible through a gradual increase in Community quotas is an outstanding example of practising, for once, what we have always preached. I there-

fore find it a great pity that the Transport Committee has drawn up a report which completely nullifies the Commission proposal. The Commission proposal, which Mr Narjes discussed and argued in favour of yesterday, was an excellent one, and I shall therefore be voting against the Hoffmann report.

Mr Alavanos (COM). — (GR) This is not my first explanation of vote, but I feel obliged to provide another on this occasion.

I believe that the establishment of a single system of Community permits and the increase in the number of permits mentioned in the Commission's motion represents a tendency which will create problems in countries such as Greece. It will divert their energies away from developing a national system of road transport, and will have particularly harmful effects on professions which depend on road transport, which would be completely unprotected. Although the Parliament Committee on Transport's report tones down the Commission's proposal to a certain extent, we believe this to be inadequate, and will vote against it, hoping that the Greek Government will under no circumstances accept such a regulation at the Council of Ministers.

Mr Moreland (ED) — It is not my intention to vote for a resolution that is impractical and unrealistic. As the House knows, there is no question of any Member State's accepting the amendments that have been put down by the Committee on Transport. Indeed, I think seven Member States will be strongly opposed to them. Yesterday the Commission indicated that they were strongly opposed to the Transport Committee's recommendations. I am opposed to them too. They are unrealistic.

They cannot possibly be accepted, because what they do is substitute one bit of paper for another. I did not get elected to substitute one bit of paper for another. I got elected to try to reduce the amount of paper, and I am surprised that some of, shall we say, 'the kangaroos' are supporting the Hoffmann report, which is protectionist, unrealistic and ought to be thrown out. We need more liberalization in this field, not protectionism.

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BUTTAFUOCO REPORT (DOC. 1-921/83 'TRANSPORT PRICES AND CONDITIONS'): ADOPTED

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KALOYANNIS REPORT (DOC. 1-920/83 'EEC-YUGOSLAVIA'): ADOPTED

Explanations of vote

Mr Lagakos (S). — (GR) The second enlargement of the Community to include Greece, and the close economic ties which the Community maintains with the south eastern Mediterranean countries, as well as the increase in trade within the Community, make Yugoslavia the key country for Community transit trade.

We can therefore see the transport problems facing the Community as regards Yugoslavia, problems which are aggravated by the lack of an adequate infrastructure in the Yugoslavian transport sector.

Greece's special geographical position, which makes it necessary for transport between Greece and the Community to travel *in transit* through two non-member States i.e. Yugoslavia and Austria, adversely affects the volume and rate of internal and external Community trade. It suffices to note that 90 % of commercial transport between the central part of the Community (Germany in particular) and Greece passes through Austria and Yugoslavia.

In dealing with Yugoslavia the Community should therefore raise the question of the prompt granting of transit permits and an increase in the number of permits granted. Although it is true that some sort of procedure is required for granting permits, the

number of permits granted is very limited. In 1983 Greece was granted only 26 000. In addition, there are other quotas for transit traffic which have an inhibiting influence on all Community trade.

As we are all aware, the cost of transport plays a very important role in the creation of competitive prices, and although, for neighbouring Community countries, the cost is fairly low, for Greece it is significantly higher, partly because of the heavy transit duties which must be paid to the two non-member countries, Yugoslavia and Austria. The duty payable in Yugoslavia amounts to approximately 150 ECU per vehicle, i.e. Dr 10 680. In the same way, the cost of goods from other Community countries bound for Greece or Middle Eastern or North African countries increases considerably.

This being so, and taking into consideration the enormous importance which Yugoslavia has for the Community, we approve of the proposals put forward by the Committee on Transport in this report by Mr Kaloyannis and, in particular, we believe that the Community should take the following steps. It should :

- take upon itself the responsibility for all transit trade, which would considerably simplify formalities at the Yugoslavian borders ;
- negotiate with Yugoslavia within the context of the Community's relations with non-member countries and the concept of free movement of persons and goods ;
- take the necessary steps so that Yugoslavia recognizes Community transit permits ;
- fourthly, Yugoslavia should begin to apply the first Community directive on the transport sector, according to which certain categories of transport are exempt from transport permits ;
- and finally, Yugoslavia should be called upon to make special agreements with EEC countries on the transport sector and, in particular, to participate in the ASOR Agreement for coach and bus transit.

In conclusion, I should like to point out that within the context of the Community's relations with Yugoslavia, in the transport sector no solution can be found for these problems, especially if the countries concerned are left to negotiate with Yugoslavia. On the contrary, according to the common transport policy, the Community should be the one to carry out negotiations in order to solve these important problems. It should be fully understood that these problems affect not only Greece, but the Community as a whole, since they concern the development of internal and external Community trade.

We members of PASOK will therefore vote for this motion.

Mr Kyrkos (COM), in writing. — (GR) We shall vote for Mr Kaloyannis' motion but would make the following comments :

Yugoslavia's position and importance makes it impossible and politically wrong for it to withdraw in any way from the attempt to solve this problem. It is essential that a long-term effort be made to provide financial support for the modernization of the Yugoslavian transport network, and to find alternative solutions which will place Yugoslavia within a broader Community transport policy. With reference to this motion we would mention the programme for the creation of an internal Community navigation network, which would link Rotterdam with Thessaloniki and which, in spite of the cost it would incur, would open up fresh prospects for trade relations with Eastern European countries, the Middle East and Africa.

As regards short-term measures, we would be in favour of adopting the proposals for an overall approach contained in the Kaloyannis report and would suggest that the Yugoslavian authorities keep their 'tolls' at a reasonable level, without further increases for at least one year, and that more transit permits be granted, so that transport to and from Greece can be facilitated without adverse effects.

BATTERSBY REPORT (DOC. 1-910/83 'AGRICULTURAL DEVELOPMENT IN GREECE'): ADOPTED

The rapporteur was :

- IN FAVOUR OF Amendment No 1 ;
- AGAINST Amendments Nos 2 and 3.

Explanation of vote

Mr Kyrkos (COM), in writing. — (GR) We shall vote for Mr Battersby's report, even though we do not completely agree with its contents and for the Commission of the European Communities' proposals.

We disagree with the fact that although the Commission itself proposes an extension of Regulation (EEC) No 1975/82 in order to deal with the problems raised in the Greek Memorandum, the same Commission limits the extension of this Regulation to infrastructure works in agriculture, irrigation and afforestation. Secondly, the powers of the new regulation extending Regulation No 1975/82 to cover the whole of Greece are valid only until the Integrated Mediterranean Programmes come into effect without, however, the necessary financial resources being provided for 1985 or any of the years which may intervene before the application of the IMPs. We are completely convinced that the Commission's choices in this matter are not fortuitous. The Commission cannot possibly convince anyone that it does not pander to the interests of the northern countries, when it openly recognizes that Greece lacks basic commodities, the imports for which have increased the trade balance deficit in the agricultural sector from Dr 9 billion in 1981 to Dr 20 billion in 1982, but still refuses to allow financial backing for the development of beef cattle, sheep and goat farming.

Our third objection concerns the way agricultural problems are dealt with differently in different regions of Greece. Regulation No 1975/82 provided 22 prefectures with six measures for improving agriculture, and for the remaining 30 there were only three measures. We believe that the Regulation thwarts any attempt to adopt a balanced approach in dealing with the problems of a single country.

As regards the fact that flexible financial aid has not been extended from one particular type of investment to include others, I believe that it would be better if the Commission were not obliged to extend its financial aid to the following years.

We shall vote for Mr Battersby's report and the Commission proposals, Mr President, in spite of these objections. We regret the fact that various interests are inducing the Commission to take half measures. We should like to state here and now that before this regulation is adopted we shall keep the European Parliament very busy with our motion, in which we shall call for an extension of the period for which the Regulation is to be valid, for all sectors to be covered by financial aid and for an increase in funds.

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MARTIN REPORT (DOC. 1-922/83 'YOUNG COMMUNITY FARMWORKERS'): ADOPTED

The rapporteur was :

- IN FAVOUR OF Amendments Nos 2, 4, 5 and 8 ;
- AGAINST Amendments Nos 1, 6, 7 and 9 to 11.

Explanations of vote

Mrs Martin (L), rapporteur. — (FR) My group will of course vote in favour of this report on the establishment of young farmers in Europe, but it hopes above all that the report will meet with massive support from this Assembly. Because if the economic situation,

both from the budgetary and farming points of view, does not, at first sight, seem favourable to the establishment of young people, we must sometimes know how to think in terms of the future, even if to do so may seem a challenge.

Almost half the active farming population in Europe is more than 55 years old and 80 % of farmers are more than 40 years old, whilst in other sectors this proportion is only 45 %. These figures alone demonstrate the necessity and the urgency of the problem of setting up young farmers in business in our Community, because neither agriculture nor the rural environment nor the Community as a whole have any interest in prolonging or aggravating the situation. Of course, agriculture needs adequate production units, but more than anything else it needs the dynamism and the competence of young trained farmers to provide a vehicle for progress. Similarly, it is important for the vitality of the rural world and the balanced distribution of the population that an active agricultural community should be maintained.

Finally, at a time when there are already more than 12 million unemployed people in the Community it is certainly not desirable that these young people should swell the ranks of the unemployed because they have been discouraged or because they have not been able to find the financial resources to establish themselves in business. It is therefore vital that we should create a climate which will encourage them to start up in business, particularly in regions which are in difficulties. And the Community has the duty to rise to what may seem — I repeat — to be a challenge. All the more so as in the Member States — and I am thinking more particularly of France, where an effort has already been made to encourage young farmers — there is a very distinct feeling that the momentum is faltering. The Commission should envisage a specific directive to promote the establishment of those young farmers who agree to submit an establishment plan, a directive which, in particular, should include direct aid for farmers in the form of substantial interest subsidies.

The creation of a European fund, as recommended in this report, with the aim of guaranteeing the loans to these young farmers in terms of criteria to be decided on later, also seems to me to be an interesting proposal. The directive should promote all cooperative forms of agriculture and should also encourage the training of young people before they start off in farming and throughout their active life, in particular by encouraging them to keep proper business accounts. Of course, these measures should not on any account put obstacles in the way of aid for modernization, the second stage in a farmer's life. I should also like to emphasize the importance of accompanying this directive with back-up measures, such as those concerning the cessation of agricultural activity, which ought to be revised in order to encourage older farmers to release their land in favour of young farmers by guaranteeing an adequate retirement pension to the older farmers. But if we want to successfully carry out a genuine policy to aid the establishment of young farmers we must be aware that we need to offer these young people the sort of living conditions in the rural environment which will encourage them to want to live in the country, which means that we must provide very broad encouragement for the setting up of small and medium-sized industries in rural areas. But above all, if agriculture is to guarantee the survival of certain regions and if we wish to maintain the human and social equilibrium, we must offer these young people both faith and hope. We shall be offering them this faith and this hope if we can decide on what kind of Europe and what kind of agriculture we want for tomorrow.

Mr Nikolaou (S). — (FR) Mr President, I merely want to say that I do not understand the meaning of this explanation of vote. Everybody has to vote on Mrs Martin's report, do they not ?

Mr Kyrkos (COM), in writing. — (GR) We shall vote for Mrs Martin's report on the establishment of young farmers in the Community because we want to confirm that a problem exists which could become worse in the future, and wish to investigate the causes which created the situation and possible means of dealing with it. The majority of the agricultural population of the Community, and Greece in particular, is over 50 years of age. Far more people are leaving agriculture because of old age than are entering it.

The farmland which is being abandoned is often left to run wild. There is a danger that Community agriculture will become unable to provide its people with their food requirements and that its reliance on other countries will increase. In Greece, there are already the beginnings of an influx of immigrants who wish to work in the agricultural sector.

Why are young people not willing to seek employment in agriculture? Very often there are problems connected with inheritance, which handicap young people who, as a result, do not acquire land. Another factor is the lack of the capital which a young farmer needs for a good start. A huge amount of capital is needed because of all the agricultural machinery and installations required. The expense of the loan proves too much for a young person entering the occupation for the first time. Another consideration is the restrictive incomes policy in the agricultural sector pursued by the Community in the last few years, which prevents even those who would like to from taking up farming as an occupation. Why should young people embark on a career in a sector which gives no assurance of a satisfactory income? Why should they take up an occupation in which the natural elements present a daily threat? Why should they take up an occupation which is, of its nature, tough? How much help have we given those farmers so as to make life easier for them? The Community structural directive for the withdrawal of elderly farmers from farming has still not been applied in Greece. How can we therefore encourage young people to take up farming? Direct Community intervention is needed in this sector so that the ranks of the young unemployed do not swell, and so as to avoid a further increase in crime and more widespread social conflict. The Community should take direct measures to encourage young farmers. It should provide them with land, agricultural machinery, training, information, housing and a social life so as to ensure the continuance of farming activity.

Since we believe that Mrs Martin's report is a step in this direction, we shall vote for this motion.

Mrs Péry (S), in writing. — (FR) Half of the farmers and horticulturalists in the Community are more than 55 years old; it is very important that land which is going to be released should be taken over by young farmers who at present are hampered by excessive indebtedness, all the more so as young people are particularly hard hit by unemployment. In my region of Aquitaine, a fall in the total number of holdings of approximately 24 % was observed between 1970 and 1980.

I can only offer my full support to the European proposals set out by the rapporteur, which are intended to help young people who submit an establishment plan by granting them direct aid and interest subsidies.

I should like to emphasize that these measures go hand in hand with those which have been implemented in France since 1978 (creation of the capital endowment scheme for young farmers) and, in particular, those implemented since 1981, which have practically doubled the amount of aid granted to young farmers who submit plans for their establishment in the form of forecast studies. In the department of Pyrénées Atlantiques alone, 287 grants were made in 1982. But if we want to encourage young farmers to set up in business, accompanying measures are needed, measures designed to halt the flight from the land, in particular the exodus of young women, measures which are also designed to promote the setting up of small and medium-sized industries and service industries in rural areas.

Only on these conditions will the rural world be preserved.

COLLESELLI REPORT (DOC. 1-908/83 'REVIVAL OF AGRICULTURE IN VENEZIA'): ADOPTED

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PÉRY REPORT (DOC. 1-1119/83 'FISHERIES'): ADOPTED

The rapporteur was :

— IN FAVOUR OF Amendments Nos 1 and 3.

Explanation of vote

Mr Martin (COM). — (FR) We are in agreement with Mrs Péry's statement. Enlargement would involve a serious threat to the livelihoods of Spanish fishermen, and even this sacrifice would not help to obviate serious reductions in our productive capacity. But we do not draw the same conclusions. And we even believe that this type of report helps to create illusions as to so-called guarantees.

We cannot see why this enlargement, the consequences of which are likely to be so serious, should be fatal. We believe that it is only being logical to refuse such a prospect. We say no to enlargement. On the other hand, we believe that it is necessary to settle the problems which are preventing peaceful coexistence between Spanish and French fishermen by means of cooperation agreements which are mutually advantageous in fishing terms, along with agreements on the processing and the marketing of fish.

* * *

D'ORMESSON REPORT (DOC. 1-1117/83 'FISHERIES'): ADOPTED

Mr Battersby, deputy rapporteur, was :

— AGAINST all the amendments.

Explanations of vote

Mrs le Roux (COM). — (FR) I am sorry that Mr d'Ormesson is not present because I should have liked to tell him how shocking his report is. We expected serious arguments and economic data showing the needs of the developing countries as regards cooperation in this fishing sector. The gravity of the problems of the fishing industry is recognized, but only in order to arrive at conclusions which are worse than superficial and at the same time very aggressive as regards existing trade relations which have helped some African countries to upgrade their fishing resources, thanks to aid supplied by both Eastern and Western Bloc countries. Even in this economic sector, Mr d'Ormesson could not resist the temptation to play at being a firebrand.

In our view nothing has yet been done in the field of mutually advantageous cooperation to help the developing countries to improve their resources, train young people to the trade of fishermen and prospect for available resources. We also suggest that the Lomé III agreements should include a section on fishing and we have tabled a motion for a resolution to this end as part of the preparations for the world fishing conference which is to take place in 1984.

We shall vote against this report, which conceals the real problems and is likely to prevent favourable development of trade with the developing world and the fight against hunger in the world.

Mr Enright (S). — I am not noted for agreeing politically with Mrs Ewing, who is a Scottish Nationalist, but on this occasion her amendments were absolutely correct. I consider this to be a poor report in the sense that it only looks from the agricultural viewpoint at what is happening in fishing and does not consider development in any way whatsoever. I am shocked that twice in one day my friends from the European Democratic Group can vote in the weak and feeble way that they have voted tonight on this report. I hope they will repent at what they have done, and I hope that Mr Battersby, who is empowered to act on behalf of Mr d'Ormesson, will say, 'I withdraw this report for further consideration'.

We have a working-group on fishing in the ACP-EEC meetings, and this report would come far better after the ACP-EEC has come to its conclusions. Therefore I ask him, in the interests of fairness, equity and a wholehearted consideration of the needs of the Third World, to withdraw this report for further consideration. To do anything less than that would be flint-hearted. I do not believe that Mr Battersby is flint-hearted, but he now has the opportunity to prove that he is not.

Mrs Ewing (DEP). — I shall have to vote against the d'Ormesson report. It is a pity that Mr d'Ormesson did not consult. I think this House does know that there are procedures, and yet Mr d'Ormesson did not consult the ACP-EEC Working-Group on Fisheries. I may say — and those who are familiar with Lomé will bear me out — that it took some years to persuade the ACP countries of the importance of the protein resources in their seas and it took some considerable years to get a working-group set up.

Now one of the Member States represented in this small working-group is Somalia, for example. Mr d'Ormesson's report is quite a bold step and, as I said in my speech in the debate, I was not against the proposition he was making but rather against the limitations he was making, which came from lack of consultation. Spanish boats can steam down to West Africa; that makes sense. However, there is nothing to stop boats that stay away for four months from going to other countries which are desperate to develop their resources, such as Somalia.

I made this point to Mr d'Ormesson and asked him to withdraw his report so that it could be properly considered and enlarged, but he refused. The position is, however, that he is going to give great offence in Brazzaville, because we are just at the stage of presenting the final report after years of work in this working-group and then this report goes off at half-cock. I think it is terribly well-meaning, and it advances a proposition that I myself have always advanced, namely, that we should consider the problems of the Spanish fleet and consider where they can go. However, we must also consider how we can help our developing ACP partners.

Mr d'Ormesson has not treated our Lomé partners as partners here. I am sure he did not mean to be discourteous, but he is being discourteous and that is how it will seem. I would therefore ask that for that reason it should be referred to committee. I must vote against for the reasons I have given.

Mr Battersby (ED). — This report is part of an overall report on Spanish fisheries. It is not a report on ACP fishing, and I would therefore suggest that a separate report be drawn up covering the whole question of ACP fisheries and the interface between the ACP and the Community in this sector.

Mr Enright (S). — On a point of order, Mr President, do I understand from that that Mr Battersby is withdrawing the report so that an overall report can be drawn up, or is he being granite-headed?

President. — Mr Battersby said no. So far we have heard only explanations of vote. I would point out that explanations of vote are not proposals.

* * *

KYRKOS REPORT (DOC. 1-768/83 'ERDF'): ADOPTED

* * *

GENDEBIEN REPORT (DOC. 1-1026/83 'REGIONAL PLANNING'): ADOPTED

The rapporteur was:

— IN FAVOUR OF Amendments Nos 1 and 2.

Explanation of vote

Mr Forth (ED). — Those who consider themselves realistic and practical, not to say normal, would tend to try to learn from their mistakes. This Community never learns from its mistakes. What it does is this. It adopts a policy, it becomes wedded to it — indeed, obsessed by it — and then proceeds to continue it, whether or not it works.

Regional policy is a perfect example of this. We have a ritual annual report, indeed several annual reports, on regional policy which say that because it has not worked in the past we must throw more money at it, or study it more or do more things with it. We miss the obvious. The one thing that we as a Parliament and as a Community are apparently incapable of doing is drawing an obvious conclusion, namely, if a policy does not work, why not abandon it? This simple but logical step is quite beyond us. We look at the figures produced year after year to show the growing disparities between regions in the Community. We then decide to allocate yet more funds in an attempt to defeat the great economic forces which determine the way in which societies and economies work. We seek to turn these back by the further application of the taxpayers' money.

It is in the forlorn hope that we may change our minds that I am going to vote against this report, as indeed I have done in the past and will do in the future.

*ANNEX II*VISIT OF HIS MAJESTY KING HUSSEIN OF JORDAN TO THE EUROPEAN
PARLIAMENT*Formal sitting*

IN THE CHAIR : MR DANKERT

President

(The formal sitting was opened at 3 p.m. — on entering the Chamber His Majesty King Hussein was greeted with loud and prolonged applause)

President. — Your Majesty, your Excellencies, ladies and gentlemen, it is indeed a great honour to welcome to the European Parliament the King of the Hashemite Kingdom of Jordan.

(Applause)

Your Majesty, I have great pleasure in greeting you, both as the sovereign and representative of the Jordanian people, and as an international statesman with a reputation for consistent and constructive moderation.

(Applause)

The European Parliament has always followed closely events and developments in the Middle East. The recent escalation of violence in Lebanon has concentrated our attention on the bloody outrages, that we should never forget that Lebanon is only one symptom — although a very important one — of the overall Middle East problem. The alarming radicalization of the factions involved, the battles in and around Beirut and Tripoli, the policies pursued by certain States in the area and the growing involvement of the super-powers have all contributed to a situation for which solutions become more and more difficult to find. I believe I am right in saying that the European Parliament has always endeavoured to encourage efforts to achieve a comprehensive and peaceful settlement.

Your Majesty, you are one of the most forthright personalities directly concerned, and you have constantly reminded us of the intricacy of the problems involved. Earlier this year, in March, a delegation from the European Parliament visited Amman, and we were able on that occasion not only to bring about greater mutual understanding, but also to perceive the crucial role which the Kingdom of Jordan has to play in the Middle East. At a time when different Member States of the Community are with great pride and courage defending the chances of peace in the Middle East by sending off their troops, we must never lose sight of the fact that the principle path to peace must be through persistent diplomatic efforts.

Your Majesty, it is an honour for the European Parliament, representing all the peoples of the European Community, to welcome you here today. Your presence symbolizes the close relationship between Europe and your people, and I have great pleasure in asking you to address us.

(Applause)

His Majesty King Hussein. — Mr President, distinguished ladies and gentlemen, honourable representatives of the people of Europe, during this tense and critical phase in superpower relations, while Europe has been preoccupied with the related issues of deployment of nuclear warheads, menacing clouds of unprecedented tension have gathered over the Middle East. A new conflagration in the Eastern Mediterranean, compounded by war in the Gulf, would threaten not only the fragile peace of the Middle East, but would pose a threat to the security of Europe and the whole world.

The Arab world, as you well know, straddles two continents — Asia and Africa — and looks out on oceans, seas and vital universal routes of communications. It is an area which is abundant with natural resources, vital to mankind.

The country which I have the honour to have served for the greater part of my life, the Hashemite Kingdom of Jordan, is part of the greater Arab nation. The Arab and Hashemite struggle throughout history has been one and the same. I am a proud descendant of the prophet Mohammed, of the House of Hashim, of the Tribe of Qureish, the oldest and most eminent family in Arabia. I am the grandson of Al Hussein Bin Ali, the chosen leader of the great Arab revolt, often known as the great Arab revival, which started at the beginning of the century. I am the grandson of Abdullah, the founder of the Hashemite Kingdom of Jordan. Throughout my life I have felt, and will continue to feel, humbled before the example of my forefathers for their total dedication and commitment to the honourable and just cause of the Arabs, to their sacred right to live in freedom, dignity and peace.

If the root cause of instability and danger in our area is the unresolved Arab-Israeli conflict and the yet unending plight of the people of Palestine, then my credentials for speaking to you on this problem stem from the fact that of all the Arabs, the Jordanians are those most intimately associated with the Palestinian people. As a Hashemite, my family's association with Palestine and Palestinians is even deeper in history than that of the present. The Arab city of Gaza, under Israeli occupation since 1967, known through history as the 'Gaza of Hashim', is the resting-place of the founder of the House to which the prophet Mohammed was born.

Hussein, my great grandfather, leader of the Great Arab Revolt, who never compromised Arab or Palestinian rights, lies in his final resting-place close to the Dome of the Rock, in the holy city of Jerusalem, and to the Aqsa Mosque, where I once stood by my grandfather before he fell to an assassin's bullet, having devoted his life to the service of the Arab people and the defence of Palestinian rights.

Jordan is the land of a courageous, dynamic and proud people who never bent before adversities, they have striven to set themselves a positive example to others through clarity of vision, courage and dedication and built, despite huge obstacles and an uncertain future for our entire area and all who live in it, a modern stable oasis of peace and harmony along the longest cease-fire line of any Arab State with Israel and Israeli-occupied Arab territories.

My country has committed itself to the defence of Arab freedom, security, stability and the right to progress in the entire Arab world.

Finally, Jordan is the cradle of civilization, where, in an area and a world of intolerance, a people, believers in one god, live in peace and total harmony as members of one family. As a Moslem, I know that my faith reveres all monotheistic religions. It completes God's message to mankind to live together in friendship and dignity, at a time when Islam, Christianity and Judaism, in many parts of the world, present an image which is totally alien to the spirit in which they were meant — the teachings of God in terms of tolerance and mutual respect.

(Applause)

Our faith illuminates our path as it has always done and ensures the implementation of God's will on Earth. It is thus that we are against all divisive political movements tearing people apart. The example of Lebanon must serve as a warning to us all. It must not be allowed to be repeated elsewhere.

(Applause)

We have remained true to our national duty and obligations in an imposed and unjust war against Iraq. Although we have not hesitated to support Iraq, we look for the earliest end to this costly and menacing war. Iraq, for its part, has responded positively to every

initiative to bring hostilities to a conclusion. The dispute over the demarcation of the border must be settled according to international laws and conventions and known historical rights. Relations between Iran and Iraq, and all their neighbours, must be based on the solid foundations of mutual respect for the independence and territorial integrity and non-interference in the domestic affairs of each other.

As in the tragic case of Lebanon, nothing is more evil, nor more sinister, than the veiled attempts to fragment the social fabric of Iraq. These attempts, which have failed before the unity of its people, are clearly directed towards weakening, fragmenting and eventually destroying the structure of the Arab States beyond Iraq. We will thus continue to support Iraq in this war, which is being waged in the name of faith while its objectives are as alien to faith and the teachings of God as they are divisive and destructive.

The current deterioration in the Middle East situation is the result of many divergent political factors. Chief amongst these is the repeated failure to tackle the question of Palestine, the root cause of the Middle East problem.

For too long it has been allowed to fester and poison the dynamics of domestic politics not only in the Arab States but in Israel as well. The denial of Palestinian legitimate rights has triggered off a fresh wave of extremist politics which could undermine the social tranquility of other States in the region, just as it has destroyed the structure of Lebanese society.

Our relations with Palestine as a country, and the Palestinians as a people, are deep and long. The long chain of historical, cultural, economic and political linkages between the two banks of the Jordan cannot be easily broken or abandoned. It has been attested to by the resolution of the Palestine National Council in February 1983 to work towards a confederation between the occupied territories and Jordan. For many reasons there is little doubt in anyone's mind that Jordan has been a natural choice as a partner in working towards the determination of their future.

The unity of the two banks of the Jordan, promulgated in 1950, was based on self-determination and the expression of free will. The constitution of 1951 stipulated unreservedly that the unification of the two banks would not prejudice the final outcome of a settlement of the Palestine question. In the meantime, we have remained conscious of the fact that Palestinian national rights would not be forsaken. Those were the principles that guided our action then, and remain our guidelines for the future.

It is within this context that both Jordan and the Palestinian Liberation Organization have proposed that the occupied West Bank and Gaza be linked in a form of confederation with Jordan. This common understanding would have made peace negotiations possible but for three major considerations.

The first is Israel's rejectionist policy and its adamant refusal to implement provisions of international law and United Nations resolutions. Since its inception, Israel has charted a deliberate course to spoil every peace plan which could have led to a just settlement of the Palestinian question. Israeli leaders have waged a constant and relentless war, deploying their enormous military might, to sap the national will of the Palestinian people. The purpose is to alter the Arab character of their homeland. War, followed by creeping annexation, have become the hallmarks of Israeli expansionist policies. It started with Jerusalem, it was followed by the Golan Heights. Claims are staked for the West Bank and Gaza. No doubt, and if permitted, southern Lebanon will become the 'northern bank' of Jordan, as Israeli forces have sealed off an important and integral part of Lebanon's national territory. Not even Egypt, an Arab State which has concluded a peace treaty, has escaped Israel's insatiable appetite for territorial expansion as the issue of the still occupied Egyptian Taba district remains unresolved. Israel seems to be encouraged in its expansionist quest by the American reluctance to abide clearly by a fundamental principle of international law which makes the acquisition of territory by force illegal.

The second is the prevailing disarray in Arab ranks and the absence of a Pan-Arab consensus. The Charter of the Arab League, which has governed all joint Arab endeavours,

vours, including the summit activities, has been based on the concept of the need for total consensus on all issues — a crippling approach which the majority amongst us are determined urgently to rectify.

However, more crucial than either of these two considerations is the reluctance of the United States to act decisively and promptly on its undertaking of peacemaking. This feature of American policy-making has often been interpreted as a condonement of Israeli action, whether in the occupied territories or in Lebanon. Recently this view has been reinforced by the more significant reconstitution of the so-called strategic cooperation and alliance between the United States and Israel, whereby American funding for further Israeli settlements will be available, contrary to the letter and spirit of President Reagan's own peace proposals.

These factors have allowed Israel to pursue its expansionist policy unhampered. They have all but totally destroyed United States credibility and allowed the spectre of super-power polarization to loom menacingly over the area. Finally, they permitted Arab radicals and unrepresentative elements within the PLO to challenge the legitimate leadership of the organization.

These are ominous indications and dangerous results. However, the most serious aspect of the new situation is the attempt to contain and control the PLO, primarily by one Arab faction and its extremist clients within the PLO, a move which is illegitimate and illegal, and totally unacceptable to us, the overwhelming majority of the Palestinian people and the majority within our Arab world.

A successful containment of the PLO by some is bound to impose a constraint on the PLO for independent political action as the sole legitimate representative of the Palestinian people. It would ultimately deprive the people under Israeli occupation and in the diaspora of a genuine representative voice to express and defend their interests in international councils. The absence of functioning public institutions to articulate the wishes of the principal Palestinian constituency, that of the Palestine Arabs under Israeli occupation since 1967, has compounded the pressures under which we have had to labour during the last few years. The savage onslaught on the Palestinians in northern Lebanon, coupled with Israeli policies in the occupied territories, is intended to perpetuate the present *status quo*: allow Israel to annex the West Bank formally, and leave the territorial integrity of Lebanon permanently compromised. The outcome is a confrontation between two potential regional powers seeking to impose their hegemony on the whole region.

It may be a mere platitude to have often stated that time is of the essence, but I am afraid that now time has all but run out on us all. Repeated attempts have been made to resolve the Arab-Israeli conflict, but they have all failed because people of goodwill have lacked the decisiveness to undertake effective action to pre-empt the work of those who do not want to see peace and justice prevail.

It is a matter of considerable surprise and great concern that in political circles throughout the world there seems to be a lack of a clear appreciation of recent events in our region, though they are likely to leave their permanent imprint on the Middle East. There is little doubt that the general situation in the Middle East has grown more alarming by the day. There must be urgent collaborative action to deal with the rapid deterioration which is taking place. The danger is no longer that of local or limited clashes between Syrian forces, PLO fighters and the Israeli army, but of a confrontation between the two superpowers, which could involve the use of deadly weapons which have caused so much alarm in Europe.

(Applause)

For a period of several years the Soviet Union has been effectively excluded from the peace process in the Middle East, while sole responsibility for peacemaking is assumed by the United States. In the wake of the Israeli invasion of Lebanon, the Soviet Union lost influence and prestige in the Middle East. However, the global role which the Soviet Union plays as a superpower is a function of world power politics. As such, the Soviets

could not be simply relegated to the sidelines, as the Palestine people and their representatives have consistently been pushed aside and ignored.

A convergence of interest between the Soviet Union and some local powers and forces in the region made it possible for the Russians to recover their position and challenge the exclusion imposed by the United States. Meanwhile, the United States has found it extremely difficult, if not impossible, despite the presence of propitious conditions, to make progress on the peace front without Palestinian representation and Soviet cooperation. American policy-makers have focused their attention on Lebanon, but the Lebanese crisis is, in the main, a consequence of the Arab-Israeli dispute which has been allowed to become completely overshadowed.

The military intervention by the multinational peace-keeping force in Lebanon is fast becoming a dangerous diversion which will pit the superpowers one against the other until, and unless, its continued presence there is directly related to securing an unconditional total withdrawal of all foreign forces from that country and its recovery of total sovereignty over all of its territory within a reasonable time frame is linked to a serious commitment by all factions of the Lebanese community to reconcile all their past, present and likely future differences and to serious progress towards that end and a new beginning for Lebanon.

It is only natural that Jordan should not want to see that, as much as we object to the escalation in the nuclear arms race in Europe. Interdependence between the nations of the world has taught us that the danger of war in Europe threatens our survival as much as war in the Middle East undermines the security of Europe. It is of vital importance to us all that a dialogue between the two superpowers should be embarked upon so that a common approach to peace-making in the Middle East can be formulated. It will be a constructive move on the part of Europe to highlight the need to involve the Soviet Union in the peace process so that the danger of mounting polarization may be prevented and a new disastrous eruption averted.

After all, if Security Council Resolution 242 is the only universally accepted foundation for a Middle East peace, then all permanent members of the Security Council of the United Nations have a recognized direct responsibility to contribute to its implementation with its clear formula of total withdrawal for total peace and the additional perpetual guarantee of the security of all States in the area once a long-sought comprehensive peace is established.

We expect Europe to play a fully positive role to defuse the confrontation between the two superpowers and take an active part to guarantee peace in the Middle East, which is bound to come one day.

(Applause)

We are, of course, fully aware that while the outside powers are able to defuse or compound a situation, it is the parties concerned in any particular dispute which must agree to the terms of a final settlement. I do not have to tell you that Jordan — King, government and people — have tried their utmost to contribute to the success of several peace initiatives. We have followed every avenue, exploited every opportunity and bent over backwards to accommodate friend and foe alike, to see a just and lasting peace prevail in our troubled region.

Jordan has firmly supported all international initiatives to resolve the Palestinian and Middle East problems. Our cooperation with Ambassador Gunner Jarring following our direct participation and contribution in formulating Security Council Resolution 242 of 22 November 1967, was total and genuine, as was our participation in the Geneva Conference in 1973.

Jordan also welcomed the joint Soviet-American communiqué of October 1977. We applauded Europe for the Venice Declaration of 1980 as a step in the right direction. In the same spirit, Jordan welcomed the Soviet call for an international conference to discuss

the problem with all the parties concerned, including the PLO as the sole legitimate representative of the Palestinian people.

Although we could not begrudge Egypt the recovery of its occupied territory, we could not accept the Camp David accords, because they shunted aside the Palestinian question, the crux of the Middle East problem. The accords made possible the conclusion of a partial peace, shifted the strategic balance in Israel's favour to emerge as the dominant power in the region, and brought about the present dangerous situation.

Jordan played a similarly constructive role within the Arab community of States. These efforts culminated in the Pan-Arab Fez plan of last year. The plan was preceded by the Reagan initiative, and Jordan has been active to combine positive elements from both plans. To make a just and comprehensive settlement possible, both plans are based on the provisions of United Nations Resolutions 242 and 338, which offered all States in the region recognition and security within their own boundaries.

I welcomed the Reagan proposals from the very outset, and wanted to see them evolve and develop. They were not comprehensive enough from our point of view, but marked a refreshing change from previous approaches to a settlement. The injection of a fresh impetus into the peace process was welcomed and appreciated, as was the president's perception of the Palestinian question as the 'root cause' of the conflict in the Middle East. We noted with keen interest President Reagan's interpretation of the Camp David provisions on the status of the West Bank and the Gaza strip to be essentially part of Arab patrimony. The omission of a link between Israel's security needs on the one hand and the recognition of Arab legitimate rights in Palestine on the other, was unfortunate. We had high expectations that the president's call for a freeze on the construction of settlements and concomitant demographic movement in the areas under Israeli occupation would be heeded. It is a matter of more than just regret that despite a total Israeli rejection of the president's initiative decisive action was not forthcoming and the vitality of the initiative was allowed to dissipate; with it the peace process has, as matters stand, lost its momentum.

Mr President, ladies and gentlemen, in the same spirit which motivated my Hashemite forebears, I have come to you as an advocate of peace and cooperation among the nations of the world. World peace and international cooperation must be based on the preservation of the dignity of man and the rule of law.

Only wise and brave men seize rare opportunities to make the world a safer place to live in. Let us hope that we have both the wisdom and the courage, not only to grasp these opportunities, but make them as well. I am in no doubt that the current prevalence of strategic thinking is detrimental to peace. It neglects the aspirations of people and their expectations for a better life. If we fail people, we fail ourselves and allow the spectre of nihilist fanaticism, which threatens the region from the Gulf to the Mediterranean, to triumph. I hope and pray we shall succeed where others have not.

(Loud, prolonged applause)

President. — Thank you, Your Majesty.

(The formal sitting closed at 3.45 p.m.)

SITTING OF FRIDAY, 16 DECEMBER 1983

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IN THE CHAIR : MR DANKERT

President

(The sitting was opened at 9 a.m.)

1. *Approval of Minutes*

President. — The Minutes of proceedings of yesterday's sitting have been distributed. Are there any comments?

Mr Rogalla (S). — *(DE)* I have a comment to make about page 65 regarding the urgent debate on steel policy. As the President informed the House yesterday, I am one of the authors of the motion. It means a lot to me but in the Minutes it is not mentioned. I should be grateful if my name could be added so that it appears in future reports.

President. — Yes, what you say is correct and your name must be added.

Mr Herman (PPE). — *(FR)* The record of yesterday's voting shows that I voted in favour of the Balfour proposal. That is not true. I voted against it and I should like this to be in the Minutes. Perhaps I pressed the wrong button but I did want to vote against the proposal.

President. — Are you talking about the proposal for rejection, after the vote on the British reservations?

Mr Herman (PPE). — *(FR)* Yes, Mr President. I voted against.

President. — Your statement is noted.

(Parliament approved the Minutes)¹

2. *Votes²*

IN THE CHAIR : MR ESTGEN

Vice-President

3. *EMS and CAP*

President. — The next item is the report (Doc. 1-1139/83), drawn up by Mr Marck on behalf of the Committee on Agriculture, on the

proposal from the Commission to the Council (Doc. 1-940/83 — COM(83) 586 final) for a regulation amending Regulation (EEC) No 652/79 on the impact of the European Monetary System on the common agricultural policy.

¹ Verification of credentials — Membership of committees and delegations — Documents received — Petitions — Transfer of appropriations — Motion for a resolution (Rule 49) — Procedure without report : see Minutes.

² See Annex.

Mr Tolman (PPE), deputy rapporteur. — *(NL)* Mr President, with your permission I shall stand in for Mr Marck, who has had to leave. I can be brief with regard to this amendment of regulation No 652/79. The Commission has requested urgent procedure, and the Committee on Agriculture, after discussing this question, also wishes the proposal to be accepted without amendment.

The reason for our decision was that the temporary use of the ECU in the Community agricultural policy has had no negative effects, and its permanent use should moreover put an end to the complex and divergent provisions relating to the units of account still in existence in the Community. We would also point out that as early as 24 March 1980 Parliament issued an opinion favouring the permanent introduction of the ECU in the Community agricultural policy. I thought that my mentioning these considerations would serve as an adequate introduction to the report. Furthermore, I would add that the Committee on Agriculture voted in favour of the report, with three abstentions.

Mr Pisani, Member of the Commission. — *(FR)* On behalf of the Commission just let me express our thanks to the Committee on Agriculture. I think that this was a necessary amendment, and the sooner it is done the more useful it will be.

President. — The debate is closed.

Vote²

4. *Rice market*

President. — The next item is the Commission proposal for a regulation amending Regulation (EEC) No 1418/76 on the common organization of the market in rice (COM(82) 345 final — Doc. 1-521/82).

Mr Pisani, Member of the Commission. — *(FR)* Mr President, the Commission is annoyed that a document which has been with Parliament for so long is only now being dealt with in a report. We feel, in fact, that the time which has been wasted has helped a number of questionable operations.

(Applause)

However, I have received certain information which makes me wonder whether this text does not deserve another look. The Commission would be happier if the debate were held in January, provided that Parliament does in fact deal with the matter in January. If this were not the case we should have to proceed by default to ensure that the provisions were implemented as quickly as possible. However, I should not

Pisani

like the information I have received to be ignored if it is worthy of consideration. I therefore ask for this matter to be dealt with in January, provided that it is on the agenda in January.

Mr Provan (ED). — On a point of order, Mr President, I wonder if the Commissioner could give us any indication as to what he is referring to, because at the present time my information is that the failure by Parliament actually to deliver a report on this matter is costing us a great deal of money every day. I would like to know the reason why the Commissioner is now asking for a further delay.

Mr Pisani, Member of the Commission. — (FR) I believe I told Mr Provan that I had received some information which I am not in a position to verify at the moment. I also believe that any delay will cost us money but I have no right to let Parliament express an opinion today if the information I have received turns out to be true. However, you may rest assured that if Parliament is unable to deal with the matter in January we shall proceed by default and take a decision. I am asking only for a short time to look into the matter.

Mr Provan (ED). — Mr President, I think we are in a very difficult position, because the Council came and asked for urgent procedure on this matter and now we are being told at this stage, when we are just about to deliver an opinion without a debate in this House, that the Commission wants it referred to committee. Could I suggest to you, Mr President that you try and ease the situation by allowing us to delay this matter until later this morning before we finally take a decision on it? I should like to have further clarification with the Commissioner before I could agree to that happening.

Mr Gérard Fuchs (S). — (FR) Mr President, I fully appreciate Mr Provan's queries. However, since I was one of the people who brought certain new facts to Mr Pisani's attention — although I have no wish to vouch absolutely for the information I am going to give — I should like to say to Mr Provan that there are in fact two aspects to this problem.

There is the financial aspect for the Community, and I think that in this respect Mr Provan is quite right. There are one or two operations going on with regard to assessing the quality of rice which ought to be stopped as quickly as possible. But there is another side which, for want of a formal report, Parliament seemed to be ignoring. I refer to the way these measures now proposed by the Commission will affect the people of Réunion.

It seems that these measures would have a dual adverse affect on the single quality of rice which is now considered. On the one hand, there would be an immediate and steep rise in the price of rice for local

consumers — and the social consequences could well be very unpleasant — while on the other hand an undertaking on the island would have to close down. I agree with Mr Provan that it is ridiculous that we only get wind of this information more than a year after we have debated the report here in Parliament, but I would add that the report was drawn up purely from the financial angle and without considering any social repercussions. In view of the information we now have, I think it would be a good idea to take time out to consider the second aspect of this problem and to postpone the decision we have to take until the Monday of our January part-session.

President. — If I have understood you correctly, Mr Fuchs, you are endorsing Mr Pisani's proposal and calling for an adjournment until January.

Mr Gérard Fuchs (S). — (FR) That is right. While appreciating the validity of Mr Provan's comments, I must say again that the other facts which I have just outlined must be taken into consideration.

Mr Provan (ED). — With all due respect, Mr President, I did ask earlier when I spoke for a delay in the decision until later this morning, not for deferring the matter until January, because there is a constitutional problem inasmuch as, if we do send it back to committee, as I think the Commissioner was implying, that will mean a delay possibly until February or March before it can come back to the plenary sitting. I do not think that is good enough. It is costing us 20 000 ECU every day to keep this waiting for Parliament's decision, and it is a ridiculous situation that we are getting into. I admit that this Parliament should have taken a decision perhaps away past last June, and that would have saved us 2.5 m, Mr President, if that had happened. For the Commission to come along this morning and say that they have got last moment information that means we should put it off for another month, is going to cost us another lot of money on the budget that the Community cannot stand at the present time. I therefore respectfully put it to you, Mr President, that we take a decision on this, if you like, at 12 noon today as to whether we send it back to committee or defer it to the part-session in January or actually take a decision this morning. I formally move that we take a decision at midday or whatever time you suggest before we break up this morning.

President. — You have my respect too, Mr Provan, but I now have two proposals: yours, asking for a decision at midday, and the proposal by Mr Fuchs to defer the matter until January.

Mr Gérard Fuchs (S). — (FR) I should like to say to Mr Provan that I am not asking for referral back to committee because such a move would mean, as he just pointed out, a delay of at least two months with

Fuchs

all the financial consequences he mentioned. What I am asking for is a closer dialogue between the Commission and certain authorities on Réunion who could not be consulted. I admit that this is probably a shortcoming on the part of Parliament.

I think it would take a week or ten days for the Commission to find out whether the information it has been given is true or not. What I am asking the House to do, therefore, is to defer the final decision until the first day of the January part-session.

President. — Since the proposal by Mr Fuchs goes further, I shall put it to the vote first.

(Parliament agreed to Mr Fuchs' proposal)

Mr Provan (ED). — Mr President, I am afraid I must say I think that this is an internal French plot to try to manipulate this Parliament. We in the Committee on Agriculture appointed a French Socialist Member to be rapporteur on this matter. Today we have a French Commissioner who has unfortunately again tried to put a delaying tactic on this affair, and...

(Protests)

President. — I have to reject all suggestions and insinuations which are not objective. That matter is closed.

Mr Pisani, Member of the Commission. — *(FR)* Mr President, I shall not make any comment about Mr Provan. I am sorry that a Member of Parliament allows himself to make such remarks, while I am here simply trying to do my job. If I err, it is not because of any specific interests but in the higher interest of the Community, since I should not like it to make a serious mistake over this. I outlined the exact circumstances which prompted me to ask for an adjournment. I cannot accept and I strongly refute the insinuations of someone whom I considered a gentleman.

(Applause)

President. — Thank you, Mr Pisani. The matter is now closed.

5. Turnover taxes

President. — The next item is the report (Doc. 1-1211/83), drawn up by Mr Rogalla on behalf of the Committee on Economic and Monetary Affairs, on the

proposal from the Commission to the Council (Doc. 1-1038/83 — COM(83) 634 final) for a 15th directive on the harmonization of the laws of the Member States relating to turnover taxes (postponement of the deadline for the application of the common system of value-added tax by the Hellenic Republic).

Mr Rogalla (S). — *(DE)* Mr President, may I take this opportunity first of all to point out to the Commission that *it* asked for the matter to be treated with urgency and we of course did our best to comply with this wish. However, we do not see why the question of urgency and accelerated procedure should be borne out on our backs because the Commission gives as one of its reasons the fact that the permanent representative of Greece approached the Commission on 19 July 1983; it then took the Commission until November to come up with a decision. It has now asked for the matter to be treated with urgency. In future cases of this kind, I would ask for fairer sharing out of the time available and a slight effort on the part of the Commission to ensure that there is no imbalance in the amount of trouble taken to obtain a positive result.

And now to the matter itself. In this case we are dealing with a technical problem which also has a series of financial consequences. It is a question of allowing Greece further deferment of the introduction of value added tax, which is a highly complex technical affair. Greece has asked for a two-year postponement. This would also involve the loss of a series of payments into the Community's own resources; 105 million ECU for 1984 and an estimated 131 million ECU for the year after. A total of 250 million is therefore under discussion. 250 million: this is a lot of money, even if it is spread over two years. This has led us, at the suggestion of our colleagues on the Committee on Budgets, to treat the matter with care and not fully comply with the Greeks' request. We recommend that this House should grant the deferment for only *one* year: i.e. until the end of 1984. We still insist that the Commission, in the meantime, be good enough to tell us and the Greek authorities something specific about some of the difficulties which have arisen. The Commission's document is worthy of improvement in this respect. We would like to know more about the technical reasons referred to.

I would like to conclude by pointing out that the principle of equal treatment of all Member States in a similar position, in particular, led us to propose that this application for deferment should not be granted for the full period of two years but only for one year, because in other cases in which Member States have been in similar circumstances with similar administrative problems we have acted in the same way and allowed postponements of only one year.

I would like to tell my Greek friends that if it actually proves impossible for this changeover to be implemented in Greece within one year, this House would certainly be the last to decline any further requests. However, we would like to wait and see first. We would also like to give our Greek friends a chance, for their part, as it were, to buckle down and get things moving, especially in view of the substantial loss of income involved.

Rogalla

I would be glad if you would agree to these changes. They are embodied in several amendments which simply consist in changes of dates. The amendments would simply involve the insertion of 31 December 1984 instead of 31 December 1985. This type of amendment does not require any major linguistic effort and therefore the fact that it may not yet be printed in all the languages should not prevent us from complying with this request for urgent procedure and allow us to bring the matter to a close.

A further amendment requests that the Commission should present the Council and European Parliament with a report on the progress of work. I would like to ask once more for a proper report. It need not be a long one; it must simply spell out the facts. Technical reasons are too wide-ranging for us to be able to accept such a formulation. Those were the proposed amendments. I would be glad if you would comply with the Commission's request today, at the end of this year, so that we can bring the matter to a close in 1983.

Mr Alavanos (COM). — *(GR)* Mr President, the postponement of the application to Greece of value added tax is not at all a technical subject, as Mr Rogalla suggested a short while ago, and it is for this reason that the government included it in its requests made in the famous memorandum. When Greece conforms with Community tax legislation it will have the following results:

firstly, as Mr Rogalla has mentioned and as indicated in point 4 of the motion, Greece's contribution to the Community will increase considerably;

secondly, there will be an increase in taxation, especially for the workers;

thirdly, the basic protective adjustments which have remained after the dismantling of tariffs on Greek production, will be further undermined.

It is worthy of note that even these basic protective tariff adjustments which have existed until now have not prevented the trade deficit between Greece and the Community from widening considerably. It should be emphasized that Greece is the only country in the Community which has a trade deficit with absolutely all the other Community countries. Imports and the application of value added tax in Greece will considerably aggravate the problem. We are therefore amazed at the ease with which the Committee on Economic and Monetary Affairs suggests that the, for us, inadequate two year exemption period be reduced to one year. We would also condemn the connivance of the Commission with the Committee on Economic and Monetary Affairs of the European Parliament; even though the Commission and the Greek Government has agreed on a two year postponement period, now that the Committee on Economic and Monetary Affairs is suggesting that this period be reduced to one

year, there is no Commissioner here to support the agreement.

We members of the European Parliament representing the KKE will vote against the amendment and the motion in its entirety, and I hope that all of you, whether you are Greek or not, will do the same, as a sign of respect for the problems faced by the Greek workers and Greek economy.

Mr Burke, Member of the Commission. — Mr President, I can be rather brief on this one. By letter of 20 July 1983, the Commission was informed of technical difficulties in the way of introducing the common system of value-added tax by 1 January 1984, which was the date set by Greek accession arrangements, and thus the Greek authorities requested an extension of the time-limit by 2 years. They also requested a corresponding extension of the present system for establishing Greece's contribution to the third component of the Community's own resources, which is at present calculated on the basis of GNP.

While the Commission does not underestimate the economic problems put forward, it considers that the system of value-added tax does not of itself create problems for the Greek economy, because Member States are completely free to determine the rate of taxation. It nevertheless recognizes that a change in the system of indirect taxation at the present juncture could cause difficulties. The Commission also regards any delay in the final completion of the system of the Community's own resources on the basis of a common value-added tax as being regrettable, not least because of the potential loss of these resources.

The Commission, nevertheless, recognizes the validity of the technical justifications put forward by the Greek Government. Although much work has already been done, the machinery and attendant preparations are a long way from being completed. I therefore must express regret that the Parliament has felt unable up to this point to endorse the Commission's proposal for a two-year extension, and has, instead, suggested an extension of only one year. It is clear that the necessary recommendations will not be complete in one year, and the Commission would therefore be obliged to propose a further extension one year from now. I urge you, therefore, to reject this amendment.

In the course of the debate, references were made to an alleged delay by the Commission in bringing forward this matter before Parliament. Let me just give you the dates. On 19 July, there was the request from the Greek Government. Assuming that the month of August is not a month in which business can effectively be transacted, I suggest that we were about one month in giving to the matter the necessary attention which I think Parliament has a right to expect from us, so that when we brought it forward on 19 October — not on the date suggested in Parliament — I think we did so with reasonable expedition.

Burke

Secondly, we were asked what were the technical difficulties facing the Greek Government, and one can summarize them under three headings. It goes without saying that value added tax is a sophisticated tax and that the Greek administrative and commercial methods need time to adapt themselves. Secondly, there is a very important matter of trader education. This is not to be minimized. Traders must be educated in what for them is a completely new task. Thirdly, the reorganization of the administration to bring this about is a fairly big problem for this country. I would therefore reiterate that the Commission's desire is that there should be a two-year extension, and I urge Parliament to act thereon.

President. — The debate is closed.

*Vote¹**6. Mercury discharge*

President. — The next item is the report (Doc. 1-1142/83), drawn up by Mrs Lentz-Cornette on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the

proposal from the Commission to the Council (Doc. 1-1184/82 — COM(82) 838 final) for a directive on limit values and quality objectives for mercury discharges by sectors other than the chlor-alkali electrolysis industry.

Mrs Lentz-Cornette (PPE), rapporteur. — (FR) Mr President, following on the framework Directive of 4 May 1976 relating to dangerous substances discharged into the aquatic environment and the Directive of 22 March 1982 relating to mercury discharges by the chlor-alkali electrolysis industry, this Directive lays down limit values for discharges and quality objectives for water for other sectors responsible for pollution by mercury. Since that time the toxicity of mercury and its mineral and organic compounds on aquatic fauna and in the long run on man has generally been recognized. Since mercury is hardly broken down biologically at all, it builds up in the various organisms and in the end appears in the food chain in man. In this connection we can all remember the damage caused by the Minamata accident in Japan.

Let us say something about world production of mercury. It increased steadily from the Second World War up to 1973, the time of the Minamata accident, reaching a production of 10 000 tonnes per annum. But it has fallen considerably since then and in the industrialized countries of Western Europe, the United States and Japan, production is still falling, in particular in view of the effect on the environment.

Mercury production in the Community is about 1 000 tonnes per year. Italy is the largest producer, with about 900 tonnes. Community mercury is mainly a by-product of sulphur-bearing ores. I have already mentioned primary production, which involves obtaining mercury from its compounds. Increasingly important, however, is secondary production, which involves obtaining mercury by recovery, preliminary treatment and recycling. This amounts to little less than 20% of primary production. It could be increased even further by recycling the substantial quantities of mercury in electric batteries, which, unfortunately, are thrown away, so that the mercury passes into the atmosphere after incineration and is precipitated with acid rain.

The mercury cycle should therefore be confined to the ground, at factory level, by recycling, rather than allowing it to pass into the subsoil or water where it really causes very serious damage.

Mercury is nonetheless a very widely-used metal and I will mention several industries in this connection. I have already spoken of electric batteries, which account for 80% of mercury used in the electrical industry. It is used in paint and in the manufacture of catalysts. Formerly it was used in agriculture in the manufacture of fungicides and pesticides, but its main use is in measuring instruments, such as thermometers, manometers and mercury barometers. Large quantities of mercury are used as reagents in laboratories, especially in dentistry, in the form of amalgams.

What is being done to combat mercury pollution? 30% of mercury pollution in Community waters is already covered by the first Directive relating to the electrolysis of alkalis. This Directive covers approximately 40% of the other industries which use mercury, but there still remains about 30% of the pollution of the aquatic environment, due to disposal of mercury by dental surgeries, hospitals and various laboratories. The latter are not yet covered and are the subject of a special section of this Directive, which states that specific programmes to eliminate these discharges should be drawn up. The Commission has proposed 1 January 1984 for the introduction of these special disposal programmes. Since these involve one third of pollution from various easily identifiable sources, the date could be brought forward. In Amendment No 6 we propose that the implementation date be one year after this Directive has come into force.

The Committee has accepted various amendments concerning the proposal for a Directive. Firstly, we would like the quality objectives to be set by way of exception, as is the case in the 1976 and 1982 directives. Consideration should be given to the fixing of a final date for such exceptions so that no distortion of competition arises. If some countries can manage to keep within the limit values, there is reason to wonder why other countries, particularly our neighbours across the Channel, who are always out of step, cannot do the same.

¹ See Annex.

Lentz-Cornette

Secondly, in Amendment No 2 we would like the Commission to review authorizations involving quality control and objectives every four years, as they are re-examined every four years too under Article 3.

Thirdly, instead of the significant increases mentioned in the Commission's version of Article 2, we would prefer to speak of increases of 20% and over.

Fourthly, we wish to delete the second and third paragraphs since the first paragraph mentions that authorizations are only granted for new plants equipped with the best technical means available for preventing discharges of mercury.

Fifthly, I have already mentioned the implementation of specific programmes for laboratories, dental surgeries and hospitals one year after this Directive has come into force.

Sixthly, as we wish authorizations to be reviewed every four years, a report could be drawn up at the same time on the implementation of the Directive; that is the substance of Amendment No 7.

Seventhly, Amendment No 8 is really superfluous, since we all consider it our duty to step up protective measures against mercury if that is technically possible.

As this Directive is an extension of the Directive on the chlor-alkali electrolysis industry, the sampling procedures, reference analysis methods, limit values and quality objectives in Annexes I and II obviously remain the same.

Let us hope all the same that by the dates stated, 1 January 1985 and 1 January 1984, the limit values laid down will actually be satisfied and pollution due to this highly dangerous metal will once and for all be a thing of the past.

Miss Hooper (ED). — Mr President, Mrs Lentz-Cornette has explained very clearly and comprehensibly what is a complicated matter. She has underlined the need for a directive in this area.

The Community's general policy on prevention and reduction of water pollution took several years to be agreed. Agreement on the 1976 framework directive and on the implementing directives dealing with the discharges of the three 'drins', mercury from the chlor-alkali industry and cadmium was, in fact, held up largely because of the United Kingdom's position. In the United Kingdom we achieve environmental quality objectives by taking account of the total environmental discharges of a particular emission from a particular installation. Environmental quality objectives are, in our experience, a practical and effective means of controlling water pollution and are particularly suited to our natural environment. If to take advantage of our environment is special pleading, then perhaps we should ban the Italians from growing tomatoes because they have the advantage of having more sunshine than we have.

After much discussion, however, the value of environmental quality objectives has now, in fact, been generally recognized by our Community partners, and the United Kingdom's right to continue to tackle pollution in this way is enshrined in Community law.

We are therefore unable to support the amendments tabled by Mrs Lentz-Cornette and adopted by the Committee on the Environment, Public Health and Consumer Protection, because, quite simply, we believe that the Commission's text is perfectly acceptable. The Commission proposal is drafted in the light of experience gained in the long search for an agreement on the first mercury directive, and reflects almost word for word the compromise which all ten Member States have agreed in the past and can therefore be expected to agree again. In our view, it will serve no purpose whatsoever to overturn that compromise. This would only have the effect of delaying even further the implementation of the Community's programme on water pollution.

Therefore, if Amendments Nos 4 and 5 are adopted in the course of this vote, my group will, with great regret, have no alternative but to vote against the whole proposal.

In paragraph 3 of her resolution, Mrs Lentz-Cornette calls on the Commission to review the working of the EQO (Environmental Quality Objective) system and to report to Parliament on its effectiveness. We welcome this suggestion, as we are entirely confident that our system is working every bit as well as the fixed emission limits preferred by our partners.

I would urge my colleagues to await the Commission's report before attempting to challenge and, by implication, criticize the use of quality objectives.

Mr Pisani, Member of the Commission. — (FR) The Commission is very grateful to Mrs Lentz-Cornette for the very well documented and pertinent report she has tabled on behalf of the committee for which she was rapporteur. We are all aware of the importance attached by the Commission to the problem of efficient pollution control and of its feelings on the subject. It believes that methodical gradual action should be taken over a very long period, and that this gradual approach, which must adapt to situations as they arise, is an important element for success. Unnecessarily extreme action would result, sooner or later, in funds being blocked for reasons which you can imagine.

Furthermore, the Commission, together with the Council, is determined to see to it that all regulations on pollution are harmonized and that experience required in one field is used in another, so that the experience gained in dealing with cadmium can be put to use when making the adjustments to the regulation which we are preparing today.

Pisani

The Commission's position therefore shows continuity and consistency. Having mentioned all the merits of Mrs Lentz-Cornette's report, I regret to say that after having read all the amendments to the Commission document which have been tabled, I feel obliged to oppose some of them and, in particular, Amendments Nos 2 to 5. These amendments deviate from the directives adopted previously and, if they are adopted, they may delay rather than hasten the taking of Council decisions because of the new departures they represent and because of the absence of methodological references. This would be inexcusable.

Neither can we accept Amendment No 1, which seems to contradict the provisions contained in the Directive of 4 May 1976, which are referred to both in Mrs Lentz-Cornette's report and by ourselves. It makes provision for the setting of quality objectives by the Council for all substances mentioned in List I, with no exceptions.

Finally, Amendment No 6 to Article 4 provides for implementation within a year, which is too short a period, and it is for this reason that we call on Parliament to reject the Amendment.

I previously mentioned our priorities: continuity, gradual action and general effort, rather than hurried action, which might not achieve any of the desired results.

We can, however, accept Amendments Nos 7 and 8, which reflect the general spirit of the document and make it more effective.

The Council of Ministers is close to reaching a decision on this proposal for a directive; any new departure which would once more call into question the basis on which the Council gave its agreement would cause serious delays.

This is why the Commission hopes that Parliament will adopt the proposal with only those amendments to which the Commission has agreed.

President. — The debate is closed.

*Votes*¹*7. Development aid*

President. — The next item is the second report (Doc. 1-1141/83), drawn up by Mrs Rabbethge on behalf of the Committee on Development and Cooperation, on the

proposal from the Commission to the Council (Doc. 1-603/83 — COM(83) 354 final) for a decision on the adoption of a programme of assistance for the development of indigenous scientific and technical research capacities in the developing countries (1984-1987).

Mrs Rabbethge (PPE), rapporteur. — (DE) Mr President, ladies and gentlemen. The 1984-1987 programme of assistance represents a systematic continuation of the programme of research and development in the field of science and technology for development as demanded by our Parliament in July 1982. Financing is on two levels: a total of 60 million ECU is proposed, consisting of 40 million ECU for agriculture and 20 million ECU for health. The building-up of the developing countries' own scientific and technological infrastructure is in line with the salutary requirement constantly pressed by our Parliament for the developing countries to develop on their own: in other words, by self-reliance.

The vicious circle of increasing famine in the world and financial difficulties of our governments can be broken if it is possible, by means of scientific and technical research in the developing countries themselves, to increase the participation of these countries both in food production and in the health sector.

Two conflicting developments stand in the way of this. First, the EEC and USA have achieved increases in production which have ultimately resulted in almost intolerable agricultural subsidies.

Second, this year's FAO study shows that in the year 2000, about 65 developing countries are expected to be no longer capable of feeding their populations with their own harvest yields. The only solution is for these countries once and for all to achieve an average level of cultivation: this means using fertilizers and pesticides, improved seeds, crop rotation, proper storage, etc. What is the upshot of these two developments? The increases in food production which are to be encouraged in the developing countries must be cut back or slowed down in the western industrial countries in order to achieve balanced world food production.

A major portion of the western agricultural research capacities could be transferred without hesitation to the tropical and sub-tropical countries. All over the world, thousands of qualified experts and vast funds could be assigned to the CGIAR international agricultural research institutes and to the development of national research facilities, private institutions and the necessary services for disseminating their results. Since harvest yields in most developing countries are still extremely low, equipment with a very high marginal utility must be used to raise output.

The raising of agricultural production under integrated regional development programmes could then serve as a driving force for general social development in the countries of the Third World.

Our committee has criticized several points in the Commission's proposal, and this is reflected by the motion for a resolution we have presented to you today. It is also evident from the remarks of the other Parliamentary committees involved.

¹ See Annex.

Rabbethge

Our committee regards the proposed programme as too general. We suggest a clear definition of specific research topics once it has been established what areas of research have already been covered by bilateral and multilateral research organizations such as the CGIAR, FAO and WHO, etc. Our committee has set out five main points which it considers important: an autonomous scientific infrastructure and personnel structure in the developing countries; the establishment of main regional research topics in particular; the setting of financial targets, deadlines and programme targets for the activities in order to keep the follow-up costs of the research under control; basic, advanced and further training of populations locally and action to prevent the emigration of qualified scientists from the developing countries; in other words, it also means encouraging people to practise their professions in the developing countries themselves.

Our committee has rejected the proposal to set up two new consultative committees. We felt that in order to improve coordination, and above all integration with the first programme of assistance in science and technology for development which we adopted in July 1982, it would be better to appoint these already existing committees with their proportional share of delegates from EEC countries and developing countries. All in all therefore, we can say that the Commission has been relatively quick to respond to the demand for a follow-up programme which we made in the first programme. The Commission should be thanked for this.

I would like to add for myself personally that we can all actually be satisfied that instead of the 40 million ECU under the first programme, we now have a further 60 million ECU for this long-term research programme which can be a success only with the coordination and greater cooperation of all involved.

In view of the drama of world hunger which we in our Committee on Development are very closely and almost daily confronted with, I would like to quote a few words of Manès Sperber, winner of the German Book Trade's Peace Prize, which I think are worth noting in this context: 'I still believe that the world can be changed and will be improved. In contrast to many of my contemporaries, I am convinced that the destitution suffered by so many people all over the world, but especially in Asia, Africa and South America, can be eliminated and that, as a result of human endeavour in research and the use of all types of energy, it will be possible to convert the Sahara into a luxuriant garden and transform the terrible Sahel famine area into a fertile country of well-nourished people.'

I ask you to adopt the motion for a resolution tabled by our Committee on Development.

Mr Habsburg (PPE). — (DE) Mr President, I would like to thank Mrs Rabbethge for her excellent work

and for what she has just said because she has stressed once more how important a properly conducted development policy is for us. It is no less important than a security policy. But this means that nothing would be more dangerous than to apply ideological principles to development policy and have our view of things restricted by ideological blinkers, instead of being hard and realistic, because ideologists have all too often set priorities in development aid which have been in contradiction with practice. If we bear in mind that, after the total destruction of the Second World War, we restored Europe to the level of the economic miracle with 47 000 million DM under the Marshall Plan, it is an alarming thought that over 300 000 million DM have already been spent by the democratic industrial countries on development aid because the social return on these 300 000 million DM is by no means satisfactory. I dread to say it, but a good deal of it has missed the target.

I have no intention of making casual reproaches at this point as is often the case, as if it were simply a question of corruption. It is more a question of bad planning. It is here in particular that the dissimilarity between the report of the Committee on Development and Mrs Rabbethge's proposal and the Commission's earlier proposal demonstrates the difference between realism and the unrealism stemming from certain ideological positions, because it is unbelievable what improvements have been made by simple practical proposals. I would like to stress in particular the importance of preventing the emigration which we unfortunately, I have to say, all too often pave the way for, as well as the importance of doing research locally and setting the right priorities for research and development.

We ask ourselves all too infrequently why the Chinese in particular, whether from Taiwan or Red China, are so enormously successful in development policy and why so many of our projects have failed? It is simply because the Chinese have closer contacts with the population and help them in their work. This is why it is important that the Commission's unrealistic proposal has been made realistic again in many of its aspects. I therefore hope that we shall all accept the proposal of the Committee on Development.

Mr Johnson (ED). — Mr President, over the past four years this Parliament has had the opportunity to debate many different reports on many different subjects. In my opinion, the subject we are discussing today is amongst the most important we are ever likely to consider. We are talking today in a very real sense about the future of the human race, or at least about the future of that vast majority of mankind which lives at or near the margin of survival in the developing countries in Asia, Africa and Latin America. We have had debates in this House about crash programmes to combat hunger in the world. We have adopted resolutions about food aid.

Johnson

Today we go to the heart of the matter and address ourselves not to short-term considerations, however pressing these may be, but to the long-term strategies which will enable those countries and their populations to survive and to continue long after the European Community and the European institutions have passed into oblivion.

My group will be supporting the Commission's proposal and Mrs Rabbethge's resolution, because it recognizes that properly conducted research is the essential seedcorn without which there can be no harvest. We recognize, as do the Commission and the rapporteur, that the place for that research to be fostered and encouraged is in the developing countries. We also believe that in the first phase of this programme of assistance it is right to place the emphasis, as the Commission does, on agriculture and health.

Twelve years ago, at the request of the World Bank, the FAO and UNDP, I wrote a book called *The Green Revolution*. It was sub-titled, as I remember, *New Developments in Tropical Agriculture*. While doing the preparation for the book, I had occasion to visit some of the famous agricultural research institutes in the developing world. I commend them to my colleagues: the International Rice Research Institute in the Philippines, directed by Graham Chandler, the Centre for the Development of Maize and Wheat (CIMMYT), in Mexico, where Norman Borlaug had just won his Nobel Peace Prize for pioneering short-stalked varieties, the Ford Foundation's programme in India, the Centre for Tropical Agriculture at Cali, in Colombia. These men and these institutes were the giants of their time. As Jonathan Swift put it in *Gulliver's Travels*, 'Those who can make two blades of grass grow where only one grew before will deserve more honour of mankind than the whole race of politicians put together.'

That was twelve years ago. Today who talks about the Green Revolution? We know now that genetic research is crucial, but by itself it is not enough. Indeed, it sometimes may be inappropriate to develop and propagate new strains and new varieties, which may require different patterns of production and different mixes of input when the cultural and economic environment is not ready for them. Is fertilizer available at the right price? Do people know how to use it? Do they have the right tools? Is the water available? Are the storage systems available and adequate? Or will the harvest be lost to rats and blight? Without research there can be no answers to these questions and to a host of others. That research can best be conducted in and by the developing countries themselves. If the Commission's proposals can help develop those research capabilities, then the Commission, and the Commissioner responsible, will indeed have deserved some honour of mankind.

We were particularly glad to see that the Commission uses the term 'agricultural research' to include fish-

eries and forests. I hope very much that this is not merely formal linkage, but that real attention will be paid to both these questions — particularly, perhaps, to the problems of deforestation, which I would rate today as one of the truly great issues of our time along with disarmament and the exponential growth of human population. According to FAO statistics, there were, in 1980, approximately 1 200 million hectares of forest lying in the belt between the tropics, which is subject to the tropical monsoon climate. If we suppose that the levels of reduction and logging continue at the present pace, by the year 2000 there would only remain 540 million hectares of undisturbed, productive closed forest: 390 million in tropical America, 100 million in tropical Africa and 50 million in tropical Asia. In other words, in a mere 20 years, we would have reduced by more than half the total extent of the world's patrimony in tropical forest.

Next time there is a meeting of Heads of State or Government of the European Community, let them talk about the destruction of the tropical moist forest and not about budget rebates. It is time we got our priorities straight.

Mrs Rabbethge's resolution stresses in its paragraph 4 the need for research to combat deforestation, including the techniques appropriate to the management of pasture and woodland, and mixed agriculture and forestry activities. We welcome this: it is an idea of enormous importance. The requirements of agriculture need not always conflict with the requirements of forest conservation. Intelligent and imaginative research, adapted to local needs, may reveal ways in which pressures on the primary forest can be reduced. Nitrogen-fixing trees may be interplanted with food crops, leaving the soil richer than before. Fish-ponds, providing protein, may be fed from leaf litter. Agroforestry, practised in degraded forest areas, may meet the needs of both fuel and food and break the vicious cycle of slash-and-burn cultivation, which under conditions of increasing population density, has contributed so much to the present forest destruction.

Speaking for myself, Mr President — I would not presume to speak for my group on such a matter — I am not sure I would want to live in a world where the tropical rain-forest and all the wealth that it contains in terms of abundance and variety of flora and fauna, had disappeared. In helping the Cameroons and Gabon, Zaire and the Congo conserve their rain-forests, we are in a very real sense helping ourselves.

Time does not permit me — although I know we have not much ahead of us this morning — to comment in detail on the aspects of the Commission's proposal. As I have said, we welcome the emphasis of the first phase. We also look forward to further work in the second phase. Environmental questions in the developing countries, the protection of all

Johnson

forms of natural resources, are of growing importance. It is good to see the Commission recognizes this. It is also good to see the promise of research into demographic issues, and I quote, 'including the social and cultural aspects of family planning and its impact.' I say to the Commission and to this House that if we can in any way help the developing countries come to terms, not only with the problems of mortality and morbidity, but also with those of fertility and natality, we shall, indeed, have earned our *per diem*.

There are certain amendments standing in my colleague Mr Jackson's name. May I, in closing, commend them to the House, in particular Amendments Nos 6 and 7, which refer to the introduction of small-scale industrial technology, especially that linked to agricultural development. We believe that this is so important that it deserves especial mention, and we would ask the House and the Commission to accept it.

Mr Pisani, Member of the Commission. — (FR) I am delighted at the way this debate has developed. In attempting to analyse the problems posed by a research programme, it has allowed various Members of Parliament to tackle the question of development as such and to try to find solutions for the fundamental problems facing a large section of humanity, and indeed a large section of our heritage, i.e. the earth, its vegetation and its animal life. This emphasis on the link between research and reality would seem to underline the fact that we should change our basic attitude to research in the fields where research is needed.

- Having said this, I will limit myself to discussing the report rather than dwelling on other considerations, even though they have my support and I should like to comment on them. With reference to research, we have based ourselves on a fundamental theory, which has been subsequently broken down into two practical considerations. The fundamental theory is that no solution can be found for the problems facing developing countries without considerable efforts aimed at perfecting new technologies, discoveries and new types of seeds and processes. Developing countries have no chance of catching up if they themselves cannot carry out the necessary research which must be adapted to their own needs.

We have added two complementary considerations to the basic theory. The first is that in research carried out by Europe for itself — or at least, mainly for itself — there are some elements which could be used by developing countries. These elements should be made available to them.

However, during the discussion where this was stated, Parliament itself called for a second consideration to be taken into account, i.e. that developing countries' own research should be encouraged, because the

results which come exclusively from abroad cannot have the beneficial effects which on the spot research could produce.

I believe that this statement, which was behind the second report which we presented and behind Mrs Rabbethge's second report, is very important. Firstly because in the final analysis we do not conduct just any kind of research. Our research corresponds to our needs, and we developed countries are looking for what corresponds to the needs of today, and have a tendency to give priority to our own problems. It is obvious that some of these problems are fundamentally applicable to everyone and that consequently some results obtained for ourselves are useful for others, but there are clearly some problems which cannot be raised by us, since it is only the developing countries themselves which can do so.

Research cannot be adapted to a situation unless it is defined by those experiencing the situation at first hand, and this is the main reason why it was essential to expand research in the developing countries.

The second reason is perhaps less self-evident, but equally important. If the results of research carried out in our own region are not to be imposed but accepted, welcomed, exploited and implemented by the developing countries themselves, they must have men, teams, networks and structures capable of receiving and implementing the results and adopting them to their own situation.

It therefore seemed absolutely necessary to develop a research system geared specifically to developing countries, and it is in this spirit that the Commission has complied with Parliament's wishes; this report which has been presented to you was drawn up in the same spirit. In other words, the Commission welcomes this document and discussion.

The Commission has no difficulty in accepting the amendments which have been tabled; it particularly approves of the amendment aimed at merging the two consultative committees. Meeting between men who follow two different approaches aimed at resolving two complementary problems may well create effective cooperation. The Commission therefore fully approves of the work which has been carried out, Mr President, and will do everything possible to take the necessary steps.

Mr Normanton (ED). — Mr President, I wonder if you will grant me just one minute to make a brief contribution to this debate. Before I do so, I formally declare an interest in the subject. It is an interest which goes back to my membership over very many years of the council of the Empire Cotton-Growing Association. It does go back to distant times, but to an extremely important contribution to the very objectives which Mrs Rabbethge is supporting and which the Commission is anxious to achieve.

Normanton

I should like, first, to recommend the Commission to have a look at the work done in those distant days — and carried on long after it had ceased to be the Empire Cotton-Growing Association — in stimulating the involvement of indigenous peoples in the Third World in this important field of growing and developing special strains of cotton. Secondly, may I ask the Commissioner whether he will have one more look at a proposal which I have put before the ACP-EEC Consultative Assembly, I think on at least three occasions, and which obtained the unanimous support of that body, for the establishment not just of a research establishment, but of a management-training establishment. It is in the field of management training where the Third World is acutely dependent upon the developing world. If the proposal is to develop on parallel lines the research involvement of the Third World in the field of Third World development, and management training appropriate to the necessities of management in the Third World, I for one will be delighted to give all possible support to the Commission's proposal.

Mr Pisani, Member of the Commission. — (FR) Mr Normanton has raised two problems simultaneously in his second question: the first problem concerns training for research workers who will have to work in research centres, especially regional centres. We should like to encourage such training, and here the training programme for research workers is inseparable from the research development programme.

He raises a second extremely important problem — and I will refer here to what Mr Habsburg has just said — i.e. management training, to use the English expression. This problem is more delicate, because more training is needed, and the background of the people who must be trained makes them less aware of the management problems which we have. Appropriate steps must be taken, and I hope that even the next Lomé Convention alone will allow substantially for the development of management training for Africans. Without such training, the economies of Africa and other developing countries cannot be put on a firm footing, and it is time that these countries had control over their own economies.

(Applause)

President. — The debate is closed.

Vote¹

8. Inland transport

President. — The next item is the report (Doc. 1-1138/83), drawn up by Mr Carossino on behalf of the Committee on Transport, on the

communication from the Commission to the Council (Doc. 1-1349/83 — COM(83) 58 final) on progress towards a common transport policy — inland transport.

Mr Seefeld (S), deputy rapporteur. — (DE) Mr President, ladies and gentlemen, for the Commission, this consultation represents an important set of proposals for the further development of a common transport policy. I can only hope and pray that the Council of Ministers in the meeting of the Transport Ministers on 20 December brings itself to tackle these problems and does not just talk about the Commission's proposal but, if possible, takes a decision as well.

Seen from this angle, it is a good thing that we are able to deal with it once more today and I shall say straightaway that Mr Carossino's report was approved unanimously by the Committee on Transport, in other words it was accepted by our colleagues from all the groups and every country.

Mr Carossino, who is unfortunately unable to be here for the moment, gives as one of his reasons the fact that this document by the Commission without any doubt represents an attempt to introduce many new and original aspects, and he believes we should examine it carefully. We have done this and I can only hope that those of you still here will have something positive to say about Mr Carossino's work.

In the Committee on Transport, we also felt that what the Commission has produced here could be regarded as a first answer to Parliament's critical recommendations and that the Commission, and I would like to stress this, has approved our critical recommendations. Among other things, we said that it was now necessary not just to keep pressing demands for a coherent transport programme but to back them up with suitable proposals. Seen from this angle, the opinion we express now also constitutes a first contribution to the drawing up of the guidelines the Commission feels are needed for a new start in European transport policy.

It is therefore not without reason that Parliament and the Commission are talking on the same wavelength about transport policy, and in this document, the Commission very clearly supports Parliament's appeal to it to do all that is necessary to develop the Community and, above all, the part of the Treaties dealing with transport policy. The Commission regrets that over the years its numerous proposals and the many proposals which we have made here as the Parliament, have been constantly disregarded and rejected by the Council of Ministers. The Commission underscores in clear terms the reason which we have continually cited when complaining about inaction: only a few of the proposals it has made itself have been adopted and some submitted by the Commission have been under discussion or non-discussion by the Council of Ministers for so long that they have had to be revised to bring them up to date.

What is the issue about, then? It is about a work programme by means of which the Commission, with our support as Parliament, would like to make further

¹ See Annex.

Seefeld

progress in transport policy. It concentrates on inland goods transport because this is where the most contentious issues have arisen, and announces that it intends to revert to other sectors such as sea transport, port and air transport policy at a later date. It is therefore not surprising that the rapporteur, Mr Carossino, expresses once more in his report what I would like to call slight dissatisfaction at the fact that not much has happened in terms of port policy and that the Commission makes no proposals on it either.

We would like to point out once more to the European public that we are for the establishment of a framework for a common European transport policy. On this occasion we would also like to point out once more that our complaint was justified; the Commission's proposals specifically stress this point in an impressive manner. With our resolution we wish once more to point out that it is urgently necessary to get a common transport infrastructure policy moving, and at this point we express the thanks of the transport politicians to our colleagues for supporting this as part of budget policy.

Finally, with Mr Carossino's report, we confirm that a harmonious transport policy, a sensible, coordinated, common transport policy, must be set in motion, and we believe that this includes optimum functioning of the economy, social security for the working population in the transport sector, and finally rational utilization of energy and protection of the environment.

This contribution by Mr Carossino, as I have already mentioned, won the unanimous approval of our Committee. I would be most pleased if you would follow our example and give your unanimous support, too, to this report. However, I would be even more pleased if the Commission was successful and the Council of Ministers finally awoke from its deep slumber and, on the strength of this new document, decided to agree upon a sensible transport policy for the citizens of our Community.

IN THE CHAIR : MR PFLIMLIN

Vice-President

Mr Marshall (ED). — Mr President, the European Democratic Group welcomes Mr Carossino's report, and it is of great importance that Parliament gives its opinion today. The Committee on Transport gave unanimous support to the document, and Parliament may confidently do the same.

I should like to speak about one or two paragraphs in the resolution. Paragraph 1 underlines the necessity of a common transport policy, and the failure to have such a policy is part of the sad, sorry story of delay and indecision on the Council's part. The tragedy of this failure is due to a lack of political will on the part

of the Council and not to inaction or indecision by the Commission or by this House.

Paragraph 3 calls on the Council to adopt rules on the support to be given to projects of Community interest in the field of transport. I hope that we can get a decision on this, and I also hope that one of the earliest projects to benefit from this will be the proposal for a Channel Tunnel, which I believe would be of great economic benefit to the Community and would also be of great political benefit in making the reality of Europe somewhat greater to my rather insular country.

Mrs von Alemann (L). — (DE) Mr President, I would like to echo Mr Marshall's friendly words and tell you that it is pleasant meeting here, even if I often find the agendas very unpleasant, especially when reports as important as this are not dealt with until 11.40 on Friday morning. In spite of the large amount of work, however, life in Strasbourg is very pleasant.

The Carossino report on progress towards a common transport policy, on which I have to speak for my group and for which I thank the rapporteur, deals with a topic which I would have given a different heading. I do not know exactly why the Commission gave its communication to the Council the title 'Progress towards a common transport policy'. Presumably, only the Commission itself knows. It has namely forgotten to put a question mark at the end of this title. It would then have been a bit more sensible, and above all more comprehensible to the experts.

It is a well-known fact that the European Parliament has taken the Council to court for inaction and the procedure which has been initiated will not be completed for several months. The Commission has joined the European Parliament in supporting this move. It is therefore incomprehensible that the Commission should send a communication with this heading to the Council which, as was only to be expected, sees it as a document which exonerates it. I consider this method of the Council extremely inappropriate, to put it mildly. However, since the Council feels that it has been exonerated by this Commission document, it is now up to the Commission to clear up this misunderstanding without delay. As I have already said, a question mark would have helped you, Commissioner.

There is one more thing I would like to say to the Commission: if the European Parliament finds that there is no common transport policy, it is not because the Members have taken the wrong example by comparing development on the agricultural market with that in the transport sector. It is quite simply the incontrovertible facts which have led to this appraisal. References to 'small steps' provide no proof to the contrary. It is quite the reverse: these small steps can be very dangerous if they consist of measures which do not make up part of a comprehensive coherent programme. We have still not got this programme,

Alemann

after over 25 years of the EEC. And it is only on this understanding that the first demand in the resolution we are to vote on today deals with binding provisions defining the scope of a common transport policy, and the urgent problems of transport infrastructure policy are only referred to in the second and third demands.

When a top Commission official was once asked whether a common European transport system could be achieved by the end of this decade, he answered that it would take quite a long time for anything like that to be organized to any degree. Every small step, on the other hand, definitely helped us to get closer to this target if it was taken in the right direction. Unfortunately, he forgot to add how he knew that it was the right direction.

This is the problem, Commissioner! The Liberal and Democratic Group at any rate would not like to leave transport policy decisions to chance. It therefore supports the motion for a resolution calling for binding provisions defining the scope of a common transport policy because we have still not got a common transport policy yet.

President. — Thank you, also for the kind words you had to say about Strasbourg.

Mrs Ewing (DEP). — Mr President, may I congratulate the members of the Committee on Transport, who, I think, take great pains with an arduous job. I sometimes feel they do not have enough recognition when I consider the delays on the part of the Council. I speak with some feeling, because I was on the Committee on Transport when it was part of the Committee on Regional Affairs for some years in the old Parliament.

I rise to speak because I think the voice of the peripheries should be heard and put on record when we are discussing transport problems. The citizens of the periphery have their rights too. I am glad to see that in Amendment No 4 there is a reference to the geographic diversity and a pledge that this will be recognized. The word 'flexibility' occurs throughout, and that pleases me, because if anyone could claim to be concerned with a diversity of transport problems, I think it must be myself not uniquely, but certainly there is no one with more problems, with 80 inhabited islands, a very far north section of islands, a very far west section of islands, some very rough seas to cross, some very inclement weather and of course, some very poor roads. Indeed, I think some of you from densely populated parts of the Community would be quite surprised if you saw what is counted as an A road in the north of Scotland. I think you would be leaving it to look for it, as many tourists often do in the summer! They go off the road thinking that it cannot be the A road. You would regard it, I think, as a track, and many parts have no real alternative.

I know that the first thing we have to do is to deal with the land and also with the problems of frontiers and lorries and so on, but I would make a plea that we do not forget a principle. While we are trying to get the problem solved, we must remember that there should be some principles. One principle should be that every member of the Community should have access to some form of public transport. You might think that that goes without saying, but I assure you that not all people in this Community have access to any form of public transport. There are not many areas in the UK where that is true. There is an island in Ireland highlighted in an exhibition which many of you were kind enough to visit. There is a village in the Western Isles which has no road, for example.

There are not many, but some have only one bus a week. I do not know if you would call that access to public transport. That is all they have. I think the principle of the right of access to public transport must at some point be firmly accepted in whatever deliberations we have on transport.

There is a second principle. This comes in by way of the point raised by the Committee on the Environment, Public Health and Consumer Protection on the costs of distance. Mention was made of recital G, which speaks of the harmonization of cost factors. That sounds fine and it is all right with me, but what does it mean exactly? You see, one of the principles of this Community is fair competition. We are all meant to be able to compete on equal terms. How can we compete on equal terms when the costs of distance make it impossible for many people to compete on equal terms? The whole cost of living, of starting and running a business, the cost of running an industry, the cost of food are double or treble what anybody else pays because of the cost of freight. If we are looking for long-term guidelines, I think we should consider the equalization of freight-rates, a principle that works very well in Norway, which faces great distance problems right into the Arctic Circle, and which seems to solve its problems by a very simple principle. It would be costly of course and very difficult for one Member State, I suggest, to institute, but it is obviously the principle that this Community will have to aim at. Otherwise, talking about the harmonization of costs really is irrelevant.

I have two more points to make. One concerns research. On page 28, the document, I think, very sensibly talks about future research. We are not yet on to sea transport, so could I make a plea that the Commission confirm their willingness to have pilot projects on the road-equivalent tariff, which they said they would be willing to look at? Could I ask that there be research done on causeways, because causeways are very often feasible and at the end of the day eliminate most of the costs. I can give you examples. The island of South Ronaldsay is no longer an island in the Orkneys; the island of Burra is no longer an island in the Shetlands; and I could go on. But these causeways were built during a war. It took a war to

Ewing

build causeways. Yet at the end of the day the causeway is helping, just as the Channel Tunnel would, to do what was mentioned in a different kind of situation. I would ask that research be done on these things now.

My last point is on the question of this only being land. Why is it that there is no reference to the road-equivalent tariff, approved twice by this Parliament, and, I understand, acceptable in principle to the Commission? Road-equivalent tariff is the principle by which a journey by ferry is equivalent to the same journey by land. That is a principle that was going to take island-dwellers in this Community forward, be they from Greek islands, Italian islands, Scottish islands or Irish islands. Where is that principle now? I know that we cannot do everything at once. I shall be supporting this report, because it is an excellent one. I shall be supporting the Committee on Transport all the way. I am really putting these things on record as features for the future guidelines for which I think a plea must be made in good time.

Mr Bombard (S), draftsman of the opinion of the Committee on the Environment, Public Health and Consumer Protection. — (FR) Mr President, ladies and gentlemen, our group fully supports Mr Carossino's report and congratulates the Committee on Transport on its thorough work.

Unfortunately, I would agree with Mrs von Alemann when she says that we are moving towards transport harmonization. We are *in favour* of transport harmonization and would like to see the Commission echo Parliament's sentiments. We do not wish simply to point a direction but to make a statement. I think that this is extremely important, because such an urgent problem should not be bypassed.

I do not want to go over what my colleagues have already said. I would, however, like to go over what the Committee on the Environment, Public Health and Consumer Protection, which appointed me draftsman of its opinion, said on better transport facilities, the reconciliation of transport with the actual needs of users, aid for the handicapped and elderly and the fact that at the present time there is, for example, no drinking water either on trains or in urban transport.

I should like to stress this point. There is no chapter on urban transport in the Carossino report, which is unfortunate, because it would obviously be an easy task to harmonize this section of public transport, since the problems in towns usually resemble each other closely.

I should like to compliment, for example, the comfortable public transport to be found in Strasbourg. Swift action should be taken to decrease the number of cars in circulation by informing the public, by standardizing fares, and, for example, by giving out maps at station exits showing how to use the urban transport.

On behalf of my group I support the Carossino report without reservation, and hope to see European harmonization of international transport, as well as urban transport, in deed and not just in word, so that life is made easier for everybody, which is what we set out to do in Europe.

Mr Burke, Member of the Commission. — Mr President, I would like to join in the homage paid to this city and the kind remarks made by the parliamentarians.

Three years from the day I stood up for the last time in the Jenkins Commission, having had four years of responsibility for transport — I was then leaving the Commission — and by a happy coincidence, I find myself back here to take, on behalf of my colleague, Mr Contogeorgis, the discussion in Parliament on transport.

I must say that I read the report and would like to congratulate Mr Carossino on his work. I would also like to say how pleasant it was to work with the Committee on Transport over those years and to note with satisfaction that their enthusiasm and their dynamism has not been depleted in any way.

The proposal for the resolution on the common transport policy that was annexed to the policy paper of the Commission, submitted on 9 February of this year, is in fact a follow-up of the resolution Parliament adopted in March 1981 concerning the work-programme on transport for the period up to the end of 1983.

The Parliament invited the Commission in 1981 to submit in due course new proposals so that the Council would be able to continue its work programme expiring at the end of this year.

Commissioner Contogeorgis has already explained, during the meeting of the Committee on Transport of 30 November, that the Council had already had several discussions on this proposal of the Commission. He informed the members of the Committee on Transport of the fact that the draft resolution figured on the agenda of the Transport Council of 1 December. He made it clear that it would not be very convenient to insist at such a late stage of the discussion in detailed form on the amendments adopted on 30 November by the Transport Committee. Mr Contogeorgis was then invited to report to the Transport Ministers on 1 December on the main results of the discussion in the Transport Committee. In doing so, he placed the accent on two points. First of all, he informed the Council of the opinion of Members of Parliament, that they insist on a more binding text to be adopted formally by Ministers, that a resolution would not go far enough.

Secondly, he made it clear to the Ministers that Members of Parliament are not in favour of formu-

Burke

lating a close link between liberalization and harmonization — a point of view fully supported by the Commission — because this is the best way, for those who would wish it so, to block any progress on a big number of files before the Council.

The Council of 1 December was not willing to arrive at a final decision on the proposal, also because the opinion of Parliament was not yet available, and it was decided that this point would figure again on the agenda of 20 December.

Regarding the various amendments to the proposals of the Commission, I should like to draw attention to the fact that some of them can be accepted by the Commission, but owing to lack of time, it will not be possible formally to submit a modification of the Commission's proposal. I should therefore like to submit to the House that Mr Contogeorgis present these amendments orally during the discussion of 20 December in the Transport Council. I hope that this will meet, given the time problem, with the acceptance of the House.

As I say, I have listened very carefully to the debate, and would like just to make a few further comments on some points raised. I was very pleased personally to hear the enthusiasm put behind the desirability of getting ahead with the Channel Tunnel. As those of you who were around in the Committee on Transport at that time will know, I personally put a lot of work into this, and the Commission made studies and did what it could. I think it is now up to the appropriate authorities to get ahead with this, and indeed I took the opportunity on my visit to Buenos Aires last week to talk at the highest level with one of the arms of the authority that might proceed with some speed on this project. Indeed, I took the opportunity of speaking to the French Prime Minister, whose constituency, I think, would be at one end of this. One never loses an opportunity if one is genuinely interested in a subject.

(Applause)

Secondly, may I say in regard to frontier facilitation that the Transport Council adopted on 1 December 1983 a directive on the improvement of frontier facilities. From 1 January 1985, eight principles — for example, random checks instead of systematic controls, recognition of national documents and harmonization of opening hours, etc. — will be applied. Application of these will mean a reduction in waiting-times of something between 30 % and 50 %, and the economies for transporters could be reckoned to be somewhere between 1 and 1.5 billion ECU per year. The Commission will continue to work on proposals of this kind to facilitate trade between our Member States aimed at the reduction of waiting-times at frontiers.

The Commission is in favour of taking account — and here I echo the statements made by Mrs Ewing

— of the peripheral and economic differences which exist in the Community. I contend that the case she has made is a very cogent and a very powerful one, and those of us whose experience of the Community derives from an experience of peripheral regions can only echo with emphasis the points she made. I think the idea has been taken into account in the proposals and the communication made.

Finally, with regard to the other matters, I shall draw them to the attention of my colleague particularly responsible. With regard to urban transport, the Commission acknowledges the importance of this field but must plead that owing to lack of staff — contrary to its image, the Commission is very understaffed — we are not able always to get round to these very important fields, and we must for the moment concentrate on matters of international and national interest.

I would like to thank the House for their attitude to this communication and indicate that while we are fully in sympathy with many of the amendments, we ask that Parliament give us the authority to go ahead with an oral presentation of these amendments on 20 December as the best method of proceeding.

President. — The debate is closed.

*Vote*¹

Council proposal

Point II — Amendment No 6

Mr Burke, Member of the Commission. — On a point of information. Perhaps Parliament would like to note that in Amendment No 6 and again in Amendment No 8 the expression *instructs the Commission* is used. Would it be possible to substitute *invites* for *instructs*? It would not really change the substance.

(Laughter)

President. — I am afraid I cannot change the text but I do not think, Mr Burke, that a change in the wording has any great significance.

Mr Ghergo (PPE). — *(IT)* Since I do not have my card at the moment, Mr President, could you please put it on record that I am voting in favour?

9. Alternative energy sources

President. — The next item is the report (Doc. 1-1151/83), drawn up by Mr Normanton on behalf of the Committee on Energy, Research and Technology, on the results of the conciliation procedure on the proposals from the Commission to the Council for:

¹ See Annex.

President

a regulation (EEC) on financial support for demonstration projects in the field of alternative energy sources, energy savings and substitutes for hydrocarbons (COM(83) 458 final — Doc. 1-639/82);

a regulation (EEC) on financial support for industrial pilot projects and demonstration projects concerning the liquefaction and gasification of solid fuels (COM (82) 555 final — Doc. 1-449/82).

Mr Normanton (ED), rapporteur. — Mr President, since this is the last item on the order paper today I perhaps ought to remember the words spoken over 400 years ago by King Henry VIII when going through his service of marriage to his third wife. He saw her looking deeply concerned, pale and worried: he said, 'Don't worry, my dear. It will soon be over. I shan't keep you long'...

(Laughter)

Mr President, I shall not keep the House longer than is necessary to present this report on behalf of the Committee on Energy, Research and Technology. The fact that this has appeared on the agenda of this part-session is of particular political significance. The report spells out in very strong and forthright terms the wide gulf which exists between Parliament and Council when Community policies and their financing are being considered. Parliament and Commission think in strategic, European terms, and do so in order to achieve a policy objective and ensure cost-effectiveness with the limited resources available to us.

The Council, on the other hand, represents the short-term perspective of national governments, where, in the words of a former British Prime Minister, 'a week is a long time in politics'. Policy decisions and government expenditure also are much more tuned to this kind of time scale than we in this Parliament and in the Community could ever accept.

It is not therefore surprising that a Community policy of proven value to the whole Community — and here I am referring to the field of energy-saving, hydrocarbon substitution, liquefaction and gasification of solid fuels — found only the barest, and what I would describe as the grudging, support of the men from the ministries of Member States. Hence Parliament's demand for the conciliation procedure which was held in Luxembourg on 22 June.

The technical policy considerations warrant bitter resentment and critical condemnation of the Council by this Parliament. This report provides a glaring example of how not to run a Community energy policy.

But the proceedings of the conciliation committee in Luxembourg, in which this House took part, provide a unique example of the cavalier way in which the Council treat the whole conciliation process. They

turned it, in effect, into a political charade and not a serious recognition of the duties and obligations which they had undertaken to observe in the Joint Declaration of 30 June 1982 on the budgetary roles of Parliament and of Council.

In the resolutions before the House we give formal notice to the Council that we shall not allow our constitutional role and budgetary powers to be encroached upon ever again. We will not stand idly by and see the will of Parliament so flagrantly ignored as has happened with demonstration projects over the last 12 months. I trust, indeed that the House will confirm the resolute stand taken in this report in the cause of common sense, of a Community energy policy which is so vital and the constitutional role of this Parliament, the Parliament of the people of Europe.

Negotiations on demonstration projects as a policy and their financing as a multi-annual programme are still dribbling on. If agreement is not reached by 31 January — and it will not be, of that I am, regrettably, convinced — then we, in paragraph 5, call for the reopening of the conciliation proceedings as a matter of principle and of urgency.

I beg to move the adoption of this report, but since my report is the last to be considered by the House before we rise for the Christmas recess, I hope you, Mr President, out of the seasonal goodness of your heart, will allow me 22 more seconds to quote from Holy Writ: the Acts of the Apostles, St Paul's second missionary journey: 'While Paul was waiting in Athens for Silas and Timothy, he was greatly upset when he noticed how full of idols the city was'. I will not continue the lesson, but I do wish the Members of the European Council and the Council of Ministers who accompanied them had been more familiar with the Bible before they made such an unholy mess of their meeting in Athens two weeks ago. *Plus ça change, plus c'est la même chose.*

A Merry Christmas to you, Mr President, to the Honourable Members of this House, to the Commission, who, on most occasions — and I am sure on this — are our friends, and in the New Year, success in our never-ending struggle with the Council!

(Applause)

President. — Thank you, Mr Normanton, especially for your seasonal greetings.

Mr Adam (S). — Mr President, may I, on behalf of the Socialist Group, make it clear that we support Mr Normanton's report and particularly the demand that conciliation procedures should be invoked again if there is no decision by the end of January.

We are faced, in the Community, with a very simple question. It is this: 'Is there a Community role for demonstration projects in the energy sector?' If the

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answer is 'yes' and Parliament, the Commission and the Council say so endlessly, then we ought to get on with it. If the answer is no, on the other hand, then let us forget it. But the answer hitherto has been yes.

We heard earlier this week that the Community is good at research but is very, very bad at its application. Is it any wonder, when we have this situation: no decision, month after month, despite the fact that we were promised it in the middle of the year.

Now, there are two very important aspects of the demonstration projects which I want to draw, very briefly, to the attention of the House. The first is that as far as an actual functioning of energy policy in the Community is concerned, demonstration projects head the list. Everything else is a very long way behind. They are really the main executive action that we have in the energy sector. Also, there is a very strong public interest in what goes on, and that is very important, not only for our work in the Parliament, but for the Community as a whole. We believe in putting forward these projects that stimulate activity in energy-saving and all the rest of it, that it is cheaper and that it speeds up the whole process. We cannot carry out that stimulation process without money.

Now, the tragedy is — and I think this is a very serious point — that the Budget Council and Parliament have already agreed the money, more or less. We may argue about 10 or 20 m units of account, but the Budget Council and ourselves have both agreed the money. The Energy Council cannot bring itself to sign on the dotted line. This tension that seems to exist between the various Councils that meet cannot be a good thing for the Community, and if one Council is going to take a decision and another Council is going to delay or not take a decision, then we are really on the road to nowhere. We must say to the Council that the Budget Council and the Energy Council must act together and that the Energy Council must very quickly reach agreement so that the demonstration projects can be part of the field of active policy for 1984.

Chance, Mr President, has it that I am the last speaker on behalf of the Socialist Group this morning. May I, therefore, say to you, to all the staff of the Parliament, to the Council and the Commission, 'Joy at Christmas and peace in 1984!'¹

(Applause)

President. — The debate is closed.

*Vote*¹

After the vote on the proposal for a regulation I

¹ See Annex.

Mr Pisani, Member of the Commission. — *(FR)* Mr President, I am not sure in what capacity I could speak here. I do not want to give an explanation of vote nor raise a point of order. Let me simply say that the Commission is delighted with the adoption of this report which will enable the Council to follow up the guidelines stemming from concertation among the institutions. And I must echo what our British colleagues said just now and wish everyone a merry Christmas and a happy new year. I am sure everyone realizes we need it.

(Applause)

Mr Purvis (ED). — Mr President, we expect the Commission always to be present for our debates on these items. I would have thought that in a situation like this, which is of major constitutional importance and affects primarily the Council's role, the Council should have been represented in the House by someone qualified to stand up and respond. In fact, I wonder whether you might approach the President of Parliament to ask him to discuss with the new President-in-Office of the Council whether there should not at all times be a representative spokesman of the Council present able to respond to the debates in this House.

(Applause)

President. — Thank you, Mr Purvis.

10. Adjournment of session

President. — I declare the session of the European Parliament adjourned, but before I close the sitting, ladies and gentlemen, I should like to wish you all a merry Christmas and a good and happy new year in 1984. My greetings of course also go to the Commission and to the Council which is absent.

I should also like to take this opportunity of extending our warm thanks to the staff who have helped us throughout the year and who have stayed with us until the end of this last sitting.²

(The sitting was closed at 12.30 p.m.)

² Membership of Parliament — Membership of political groups — Motions for resolutions entered in the Register (Rule 49) — Forwarding of resolutions adopted during the sitting — Deadline for tabling amendments — Dates for next part-session: see Minutes.

*ANNEX**Votes*

The Annex to the Report of Proceedings contains the rapporteur's opinion on the various amendments and the explanations of vote. For a detailed account of the voting, see Minutes.

WELSH REPORT (Doc. 1-1118/83 'EMS'): ADOPTED

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MR KELLETT-BOWMAN REPORT (Doc. 1-1002/83 'BUDGETARY CONTROL'): ADOPTED

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NEWTON DUNN REPORT (Doc. 1-948/83 'ECSC LEVY RATES 1984'): ADOPTED

The rapporteur was :

— AGAINST all the amendments.

Explanation of vote

Mr Adam (S), *in writing*. — I wish to draw the attention of Parliament to the transfer of funds from the general budget which is necessary to support the ECSC operating budget in the coal sector. The ECSC operating budget, the preliminary draft budget and the draft budget all referred to 'restructuring measures in the coal industry'. This, of course, does nothing to encourage the production of Community coal. The draft regulation proposed by the Commission to give effect to the expenditure from the general budget of the Community also refers to investment in coal production. I welcome this addition. I am voting for this report and for the levy with this important development proposed by the Commission very much in mind.

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DURY REPORT (Doc. 1-929/83 'REFUGEES IN DEVELOPING COUNTRIES'): ADOPTED

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VIEHOFF REPORT (Doc. 1-816/83 'TOURISM'): ADOPTED

The rapporteur was :

— IN FAVOUR OF Amendments Nos 1 and 2/rev.

Explanations of vote

Mr Simmonds (ED). — I can speak on behalf of most of my group, particularly those who are not here this morning. I particularly want to congratulate Mrs Viehoff on this

report. We welcome the report, especially those parts which encourage the Commission to act as a coordinator in the various fields of legislation relating to tourism. I do not believe the Commission should set up a vast department to cope with this, but I was very encouraged by the Commissioner's remarks last night. May I particularly thank Mrs Viehoff for including my suggestions relating to the pollution of beaches and bathing waters. This is a field where we can very easily coordinate standards relatively easy to achieve, and it is something that could be readily appreciated and understood by virtually every tourist in Europe — most particularly in the Isle of Wight, of course.

This is in direct contrast with most of the things that we put through this House in that most of our business is so complicated that our electorate cannot understand it, but this is one area where we can be understood very easily. That is why I shall be voting for this report.

Mr Moorhouse (ED). — I have one reservation about the otherwise excellent Viehoff report, and that concerns the lack of any significant reference to the needs of the elderly, the senior citizens of Europe.

Most Member States — maybe all — already recognize the need to help the elderly to travel within their own countries. That includes the Isle of Wight, as my honourable colleague reminds me yet again. I do feel that the EEC could play a part here in coordinating the arrangements for rail passes between Member States by establishing a standardized EEC senior citizens' rail-pass. This is something which need not be costly. As I said, it is a matter of coordination between national rail authorities. I very much hope that this idea will be pursued in a vigorous way.

Mr Vernimmen (S). — *(NL)* Mr President, I protest strongly against this method of working. Yesterday evening, although there were only five or six people present, we nonetheless remained to discuss the report. The British Conservatives begin every Friday morning by giving their comments on a report, and their comments are not explanations of vote. Mr President, I think we should put a stop to this practice.

President. — Mr Vernimmen, it is very difficult to tell whether a speech is an explanation of vote or not. I think that a large proportion of the explanations of vote given in this House are not explanatory in the strict sense, but the problem is that no clear-cut criteria can be applied, and so you will have to accept the fact that all Members are entitled to speak for a minute and a half in accordance with their understanding of the term.

Mr Moreland (ED). — On a point of order, Mr President, I must protest. It is usually the UK Conservatives who have the best attendance here on a Thursday night and it is the other benches that are usually empty. I would suggest that although the last two speakers happen to be from the UK Conservative Party — Mr Simmonds was actually here last night — it is usually members of other groups who are not here on the Thursday night who give explanations of vote. I do think that should be on record.

Mr Provan (ED). — I would just like to point out to my friend Mr Vernimmen that we do, in fact, do most of our voting on the Friday morning, and it is hardly surprising therefore that we have a number of explanations of vote on the Friday morning.

I would like to draw the Assembly's attention to the area of the Community that I represent in this Parliament. It is one of the most beautiful and attractive areas in North-East Scotland, with Royal Deeside Donside and some of the Angus Glens. The advantages that we see in the very excellent report that Mrs Viehoff has brought before us for voting on this morning are quite considerable. It is not often that I have the opportunity of picking up a report drawn up by a Member from another group in this Parliament and welcoming it so wholeheartedly. It is an excellent report. I believe it will do a great deal for integration of this European Community. That is one of the things that I personally, as a British Conservative, am very interested in.

I hope therefore that many of you will come and see my constituency and see how exciting it is.

Mr Adam (S). — I too very warmly welcome this report and congratulate Mrs Viehoff on an extremely thorough survey.

My constituency also has a large rural area every bit as beautiful as Mr Provan's. However, far too often policy in rural areas is too much seen only in agricultural terms. Last October the House adopted a report on forestry. I hope that this report will also be adopted and that the two reports will be the start of a rural policy for the Community.

I would like to draw the Commission's attention in particular to the fact that the funds available from the Community for projects in rural areas only operate through the Regional Fund, and very unsatisfactorily. In the United Kingdom they go only to assisted areas. In my own constituency, this means that the urban areas can qualify but not the rural areas. Now this is plainly nonsense, and I hope that one of the outcomes of this report will be that that anomaly will be very speedily removed.

Mr Sieglerschmidt (S). — (DE) Mr President, I would like to make the following comment on the Rules of Procedure: *Berlin is worth a visit!*

Mr Hahn (PPE), in writing. — (DE) I shall vote for Mrs Viehoff's report and the motion for a resolution out of total conviction. I hope that the governments of the Member States and all those responsible for tourism will take the report very seriously.

Tourism is becoming increasingly important in the lives of people nowadays. At a time when people are better off and have more leisure time, holidays provide people with an excellent opportunity for self-fulfilment. As a counterbalance to their working lives, people try to make contact with others, and with the culture and nature of other countries. The report shows that four sectors converge in modern tourism:

- the economy, in the form of transport or the catering trade,
- social policy, because of the importance of holidays for people today,
- ecology, i.e. protection of the environment from the destruction caused by modern mass tourism as well, such as pollution of our beaches,
- and finally, culture: the main items of attraction for tourists are the monuments bearing witness to our history.

This motion for a resolution should be an alarm signal for us to do all we can to protect both our architectural heritage and our endangered environment, and thus maintain a future for tourism. We have no time to spare!

Mr Kyrkos (COM), in writing. — (GR) We shall vote for the motion, and would emphasize that we need to continue to implement programmes for the development and improvement of tourism in both our own country and other countries of the Community, since tourism represents an important sector in our economy.

We approve of those points in the report which cover the general aspects of Community tourism, such as measures for medical care and legal protection for tourists, the establishment of a European passport and the liberalization of travel requirements, the granting of special facilities to young people, the elderly and the handicapped, the recognition of diplomas for occupations in the tourist industry, the protection of the environment and the staggering of holiday periods etc., but we believe that this policy should be extended so as to provide substantial support for countries which play host to tourists so that they can offer all these possibilities to their visitors.

We should like to stress the most important points of this report, such as, for example, the first paragraph of point 17 of the motion on the opening up of inland rural areas to tourism, and would add that it is not only essential that infrastructure be created for tourism in the interior, which would lead to an increase in our farmers' incomes, but also that programmes be drawn up, so that tourism can involve not only the social classes which have enjoyed tourism so far, but also the lower paid social strata, such as workers and farmers. Tourism should be enjoyed by everyone, and should not just be for the privileged few. Special information facilities should be granted for rural communities who for years have not known what lies beyond their own villages and their own land, so as to broaden their horizons. Initiatives should also be taken in regional government, so that those who know the special characteristics of their region better than anybody else can contribute to the development of tourism, with due regard for the protection of the envi-

ronment and of both guests and hosts. If this policy on tourism is extended to economic and social regional development programmes, some respite can be obtained for places saturated with mass tourism, and our ignored interior, which conceals so many delights for the tourist, will also benefit.

A special point, which particularly concerns Greece, concerns the huge opportunities offered by the Greek islands for a combination of rest with a taste of cultural and historical tradition. We realize that many island communities find themselves in a difficult position, and would emphasize the urgent need for programmes to improve and extend infrastructure work and social and cultural conditions. There are no communication networks. Internal road transport — which is the mainstay of the development of tourism on our islands — is poor, with the result that the majority of tourists are concentrated in the capital of each island, and the surrounding villages are neglected.

We believe that efforts to improve communications on the islands and varieties of cultural expression, which for the moment are mostly concentrated in the towns, should be given aid, and that programmes should be financed to save and restore historical monuments and buildings and to support home industries and the manufacture of island craft-work so that tourists can have the chance to mix holiday with history, tradition and architectural and popular art.

By voting for this motion, we hope that the Community policy on tourism will exploit the role of each operator and will progress wisely, beginning with emphasis on the protection of tradition, customs, ancestral heritage and the natural environment.

Mr Nyborg (DEP), in writing. — (DA) Life is to be made easier for tourists in the EEC. Customs checks (duty checks) are to be simplified. Passport checks are to be reduced. In the longer term, these checks are to be made unnecessary.

Travel insurance and third party insurance for cars are to be simplified.

These are some of the Commission's New Year resolutions. I can only add my support to them.

It is evident that tourism is a rapidly developing trade. Many millions of EEC citizens depend on tourism for their living and it provides the Community's poorer regions with a good income, the importance of which should not be underestimated.

We have here a good working paper from the EEC : lots of words and fine declarations of intent. And what happens ?

Well, almost at the same time as this paper is published, France decides to introduce currency restrictions. In other countries, the tourist sector groans because the planning for the season has been so abruptly disrupted. This calls in question the EEC's credibility. And it is a dilemma that can be terribly difficult for a Member of the European Parliament to explain to the public at large.

I would like to refer to the initiatives which are being taken privately to encourage cooperation in the Community's tourist sector.

The hotel organizations in the Community have combined to form a joint association : 'Hotrec'. In practice, it is an attempt to achieve uniformity in some basic standards for hotels, and a report is to be published, probably in February. It has been established that tourists consider 70 items of information important. Hotrec is trying to reduce these to 27 parameters which will make it much easier for tourists to select the right hotel.

This project shows how the man in the street, too, is trying to achieve a 'common internal market' with uniform standards.

I have been making a statement on the Viehoff report for the Committee on Economic and Monetary Affairs. We conclude that in the interests of commerce and the public at large, the tourist trade is best served if the Community regards its policy on tourism as part of trade policy. However, the regional, social and cultural aspects must of course play an important supplementary role, which is only natural.

Mr Papaefstratiou (PPE), in writing. — (GR) As can be seen from the report of the Committee on Youth, Culture, Education, Information and Sport, and the opinion of the Committee on Social Affairs and Employment, tourism is a sector which involves many tens of millions of EEC citizens who are consumers of tourist facilities, and of which at least 10 million work in this sector. The aims of the Community policy on tourism should be : to encourage tourism within the Community, to increase productivity in the tourist industry, to reinforce tourist programmes (which should also include periods outside the main holiday season), to develop the potential for tourism in the less developed regions and islands and should protect the natural and cultural heritage of Europe. The Commission's efforts to implement a special policy on tourism and to establish a special department for this policy should be given every support by the European Parliament.

Mrs Théobald-Paoli (S), in writing. — (FR) The fact that a delegation of representatives from Provence-Alpes-Côte d'Azur, which is the most important tourist region in France, has elected to stay in Strasbourg during this session demonstrates the considerable importance of tourism for this region which is, in other respects, disadvantaged. We should like a proper European policy on aid for tourism to be launched. Since my constituents belong to the Mediterranean coastal region, I am particularly aware of the problems and hope that the European policy will be as sensitive to the needs of the summer visitors as to those who cater for them during the relatively short holiday season.

I note with pleasure that this report reiterates my motion in favour of the staggering of holidays throughout the Community, which would make it possible to extend the holiday season. This would relieve pressure in July and August, which would help to protect our environment.

I welcome the fact that the amendments by the French Socialists provide for measures to protect the way of life and culture of the people who receive these visitors.

This document is well balanced : it provides for the protection of the 'tourist-consumer' and for better organization of holidays, which will benefit tourist regions.

The French Socialists will therefore vote for Mrs Viehoff's report.

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HUTTON REPORT (DOC. 1-767/83 'YOUNG PEOPLE — VOLUNTARY WORK') : ADOPTED

The rapporteur was :

— AGAINST Amendments Nos 1 and 2.

Explanation of vote

Mr Kyrkos (COM), in writing. — (GR) We shall vote against this motion, because we believe that the proposed system of supplying voluntary labour by using young people is complicated and costly and that it fails to make clear either the type of voluntary work which would be carried out by young people or the extent to which such a programme would be applied.

We agree unreservedly with the concept of voluntary labour in the social sector, i.e. to help the elderly, the mentally and physically handicapped, children and drug addicts etc., as they are defined in the motion on voluntary labour for which the rapporteur is Mr Eisma.

As regards unpaid labour in profit-making activities — which is the only type of activity which can offer young people advanced work experience — we believe that the presence of voluntary workers who may be working there for some time, or even as much as a year, takes jobs away from paid workers and therefore increases unemployment.

Such tactics, at a time when the population of Europe is being so hard hit by unemployment, and when many workers are living in fear of dismissal, would aggravate and prolong the unemployment situation.

The report fails to make clear the number of people which could be absorbed by such a programme. In the long term, a large number of volunteers would unavoidably lead to a lack of jobs, while a small number of volunteers could not cover any basic need. There is therefore no reason to support this motion.

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EISMA REPORT (DOC. 1-851/83 'VOLUNTARY WORK'): ADOPTED

The rapporteur was :

- IN FAVOUR OF Amendments Nos 1 and 10 to 13 ;
- AGAINST Amendments Nos 2 to 9 and 16 to 21.

Explanation of vote

Mrs Gaiotti De Biase (PPE). — *(IT)* Since I tabled the motion which led to this report, it is with great reluctance that, after work involving the Italian voluntary organizations, I must vote against the final motion, which distorts the relationship between voluntary work and unemployment in a quite unacceptable fashion.

To consider voluntary labour as a temporary solution to be offered to young people waiting for a job is very different from programming the development of voluntary labour as an answer to unemployment, and from going so far as to include it in documents on unemployment. I am also very disappointed that my group has allowed itself to be influenced by this attitude. I totally reject this point of view, which offends both voluntary workers and the unemployed, and by doing so represent the position of the organizations whose views were presented originally in my motion.

(Applause)

Mr Patterson (ED).— I am very surprised by that last explanation of vote, because I had always thought that Mrs Gaiotti de Biase's resolution was a good one, as indeed is Mr Eisma's report. I find quite incomprehensible the hostility of the Socialist Group towards voluntary work and voluntary service. I find it hard to believe in view of some of the things which their colleagues have said and the cooperation they have given to voluntary work in my own country. Voluntary service and voluntary organizations in the United Kingdom provide an enormously valuable service, particularly by helping the elderly and people who might otherwise suffer from various forms of deprivation. I hope that the Socialist hostility to the Eisma report will be noted by every one of the 44 % of British adults who take part in some form of voluntary service during the course of the year, because I think their vote against this report to be quite disgraceful. My group, however, will support it.

Mrs Viehoff (S). — *(NL)* Mr Patterson's remarks border on the demagogic.

I shall be voting against this report for a number of reasons, the main one being the acceptance of Amendment No 10, which says that in choosing between paid workers and volunteers, the interests of those who make use of the services should take precedence. This means that paid workers are to be forced aside by volunteers. I find this unacceptable. Indeed, there are a great many things in Mr Eisma's report which would make the situation a great deal worse and things which are confused which ought never to be confused.

Mr Kyrkos (COM), in writing. — *(GR)* We support this motion because we recognize the importance of voluntary labour both for the volunteer himself and for society. Many people, especially those who voluntarily or involuntarily find themselves outside the

productive system, such as the young unemployed, pensioners and women, can derive satisfaction from feeling useful and from helping society as a whole because of their voluntary work. They can, and this is the most important point, continue to feel a part of society and feel that they have active lives, and so do not become alienated or feel rejected by society.

Society has an enormous need for the services of volunteer workers as has been especially obvious in periods of severe crisis, such as in wartime or when there has been a natural catastrophe. There are occasions when the official state services are not immediately available, or prove to be inadequate to deal with exceptional needs. However, apart from exceptional circumstances, there are so many defects in the way our societies are organized and so many deficiencies, that it would be unthinkable not to encourage people who willingly and selflessly offer their services. And let us not forget that, above all, the volunteer provides a warm human presence which is often not to be found in a busy professional.

For these reasons we believe the motion to be positive, and will vote for it. We shall, however, do so on the conditions that the definition of voluntary labour provided in point 3 of the Explanatory Statement should be strictly observed and that voluntary services should be provided only for the social sectors defined in point 5 of the Explanatory Statement and that this scheme should not be extended to productive branches of the economy, which would provoke much greater social problems than the ones the scheme sets out to solve in the first place.

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VANDEMEULEBROUCKE REPORT (DOC. 1-765/83 'EUROPEAN POETRY FESTIVAL'): ADOPTED

The rapporteur was :

— IN FAVOUR OF all the amendments.

Explanations of vote

Mr Fajardie (S). — (*FR*) This subject is so interesting that I believe it well worth dwelling on it for a few moments. Parliament does not often venture to discuss culture, let alone poetry. Nevertheless our cultural heritage forms an obvious permanent link between us, being based on traditions which most of us share. Poetry is one of the riches of this heritage, and to encourage poetry somehow contributes to the building of Europe.

A European Chair of Poetry, which could become permanent and whose objective would be to highlight our common intellectual heritage to publish works which would help to defend and celebrate our respective languages, to publish anthologies with quality translations and to organize many meetings for genuine poets, is a useful idea which should be pursued.

The European Poetry Festival is therefore a welcome initiative, and the European Association for the Promotion of Poetry deserves our effective and fervent support. This will be one way of showing that we believe that, quite apart from all the political, economic and social problems which must obviously be solved, Europe also has to do with culture and sensitivity.

Mr Harris (ED). — I think I have been given permission to speak on behalf of my group. There is some dispute. Anyway, I shall speak on behalf of myself.

I really have not come across such an awful report in this Chamber since, I think, the Friday of the last part-session. Seriously, Mr President, this really is nonsense, and I think if we went to our electors during the next elections and said, 'Do you, good electors, want public money spent on organizing a European poetry festival?', I am absolutely certain that we would be given a resounding 'no'. Please, my dear colleagues, come down from the clouds. Keep your feet on the ground and — dare I suggest it — reject this report. But you will not.

Mr Beyer de Ryke (L). — *(FR)* Mr President, ladies and gentlemen, I shall vote for the Vandemeulebroucke report, but only if the amendments by Mr Papapietro and Mrs Dury are also adopted.

President. — *(FR)* That is the case, Mr Beyer de Ryke.

Mr Beyer de Ryke (L). — *(FR)* I therefore have no objection to voting for it; before I believed that there was a problem, and that the Poetry Festival was likely to become a Flanders Festival, which would have been a perfectly good thing. However, since it would not have been sufficiently European, I would have raised an objection. As long as it is genuinely European and as long as the poets will be coming from every corner of Europe, I approve.

Mr Kyrkos (COM), in writing. — *(GR)* We shall vote for Mr Vandemeulebroucke's report on the European Poetry Festival, since we believe that it is an initiative which is worth encouraging.

We believe that the festival represents a step forward in dealing with the important cultural issue which has occupied the Community for many years.

We support the European Poetry Festival and believe it essential that it be placed beneath the aegis of the Community.

Community action should, where appropriate, be linked with the activities of the European Association for the promotion of Poetry, which plays an important role in promoting special regional cultures and languages.

The report supports the activities of workers in the cultural sector in the regions, and we believe that this festival is an effective measure to protect and support regional cultures and languages.

For the poets, the European Poetry Festival represents an opportunity to meet and make their works known. The consolidation of the European Poetry Festival, the Library of Poetry and the Centre for Research, Documentation and Translation will contribute to the advancement, support and encouragement of the rich varieties of cultural expression which are organized in the Community countries. The organization of European Poetry Festivals, the publication of poetry collections, anthologies and studies on poetry in Europe require a translation centre; translations carried out by experts help to achieve real cooperation and exchange between the various European cultures.

It is the duty of the cultural policy of the Member States of the Community to ensure that the trend towards European unification provides all cultures and, in particular, the so-called minority cultures, several of which are threatened with extinction, with the necessary stimuli and opportunities for survival. This objective is described very clearly in the motion of 16 October 1981 referred to in the Community Charter of regional languages and cultures.

For these reasons the proposal that the European Poetry Festival, in which poets from all Community countries, and all parts of Europe, will participate, and which will be organized not only in the Association building, but also elsewhere, be placed beneath the aegis of the Community, will provide an opportunity to promote the living languages of the Community.

The lively cultural sector should be supported, not only because it plays an essential role in society, but also because these cultural exchanges contribute to artistic creativity.

Mr Vankerkhoven (PPE), in writing. — *(FR)* Mr Vandemeulebroucke's motion calls on us to implement the suggestions put forward by Mr Marck by placing the 'European Poetry Festival' under the patronage of the Community, and by recommending that the Commission help to ensure the continuity of a Library of Poetry and a European Centre for Poetry Research.

It goes without saying that I am bound to support the principle of this motion since its aim is to promote meetings and exchanges between European poets and to circulate their work and the results of the research which concerns them.

I would add, however, that I find it easier to support the basic principle behind this motion now that the amendments which call on the Commission to support other worthy initiatives have been adopted, since, as always, we should make sure that we genuinely encourage the great variety of creative forms and artistic expression which make up our common European culture.

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KEY REPORT (Doc. 1-812/83 'DISCHARGE DECISION FOR 1980') : ADOPTED

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SALZER REPORT (Doc. 1-981/83 'SCIENTIFIC AND TECHNICAL ACTIVITIES (1984-1987)') : ADOPTED

The rapporteur was :

— IN FAVOUR OF Amendment No 1.

Explanation of vote

Mr Wurtz (COM), in writing. — (FR) We shall vote for the Commission proposal and the motion.

We have already had an opportunity to point out the enormous importance of Community cooperation in the field of scientific and technological activity. I will not therefore reiterate the dangers which delays in this sector can represent for the independence of our countries, the state of our economics and the standard of living in our peoples.

I would rather draw your attention to the subject of the amendment which we have tabled.

We Communists believe that the current scientific and technical revolution is pointless unless it gives way to further growth and an improvement in our peoples' living and working conditions.

This has two implications: the first is that the development of new technologies should not lead to further unemployment but, on the contrary, should help to make unemployment disappear.

Secondly, this development should not be based on social regression, but on an upgrading of human labour.

I would add that if this technological challenge to our societies is to be met, the function, and therefore the training, of workers must be given a new lease of life. Since workers have the depressing feeling that their efforts are being used to obtain results which are all too often disappointing, they have great hopes for this new outlook. Their desires are even more justifiable when it is considered that, as I have said, technological change cannot take place without their active cooperation.

It is essential to tackle the question of vocational training when dealing with a programme of scientific and technological activities. That is why we have tabled this amendment. We are very pleased that it has been adopted. It represents another stage in the move towards this new industrial area for which the French Government has already made proposals.

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EISMA REPORT (Doc. 1-760/83 'EUROPEAN FOUNDATION FOR THE IMPROVEMENT OF LIVING AND WORKING CONDITIONS'): ADOPTED

The rapporteur was :

— IN FAVOUR OF Amendments Nos 1 to 3 and 8 ;

— AGAINST Amendments Nos 4 to 7 and 9 to 11.

Explanations of vote

Mr Petersen (S). — *(DA)* I agree with the critical views put forward in the Eisma Report by the Dublin Institute, but I think the criticism has overshot the mark and I do not agree with the decisions this House has taken today. Irrespective of how we have voted, the institute is currently a sociological institute and it must be considered as such. I shall vote against the report in particular because Parliament has rejected the amendment on the financial aspect of the matter. I know very well that yesterday, during the voting of the budget, this House agreed to split the budget into four headings, but I would still like to point out that there are four-year programmes still running and contracts have been signed. I do not think, either, that this decision was reasonable if we take account of the way in which a research institute is operated. I am also absolutely against the mere thought of removing the actual work from Dublin to Berlin. This would simply destroy both institutes instead of encouraging research into living conditions. Now this report is only an initiative report and therefore I assume that the Commission will not just consider the items which were approved but also the amendments which were rejected. I believe that the Commission must carry out a reappraisal on the basis of all the contributions to the debate.

Mrs Dury (S), in writing. — *(FR)* The European Foundation for the Improvement of Living and Working Conditions which is based in Dublin, and the European Centre for the Development of Vocational Training, based in Berlin, were established in the context of a social policy which seeks mainly to improve training for workers and to carry out research into the best possible working conditions for workers in firms and services, and also to eliminate any adverse effects on living conditions in society in general, and on family life in particular.

The Council, which decided to create the two European research centres in Berlin and Dublin, wished to leave the political responsibility for the programmes to their colleagues who are on the spot and therefore in direct contact with the problems. The two administrative boards are made up of four groups : governments, employers and workers in the same proportion, and then the Commission, which has fewer representatives.

On the basis of agreement within the administrative boards, the two institutions draw up four-year programmes covering immediate needs in order to deal with the most urgent on-the-spot problems. The surveys which are carried out are to allow for the four groups, i.e. the governments, employers, trade unions and the Commission, to acquire knowledge so that they are in a position to be able to take a proper part in discussions and to put forward a coordinated European policy so as to eliminate some restrictions and improve the situation.

All the members of the two administrative boards (Berlin and Dublin) believe that the proposals contained in the Eisma report are neither feasible nor suitable.

It is not possible to merge the two institutions, because their respective objectives are very different.

Furthermore, to oblige the Dublin Foundation to deal with ecological problems would be a gamble. Neither the staff nor the administrative board can meet this obligation. Even worse, the Foundation would be sidetracked from its main objective and would not be able to fulfil its task of carrying out studies on the improvement of working conditions and the living conditions originating from them.

For these reasons I will vote against Mr Eisma's report.

Mr Kyrkos (COM), *in writing (GR)* — We will vote in favour of this proposal because it is our conviction that more attention should be focussed on environmental matters and the more general conditions of life which are of such concern to the public opinion of our countries.

The European Foundation for the Improvement of Living and Working Conditions is the appropriate body to develop research and studies in this sector, and it is sad to see that so little has been done to date despite the fact that the Foundation's rules state categorically that its vocation is to deal with the improvement of living conditions.

Yet this sector, the improvement of living conditions, in which the Foundation has concentrated its efforts is of capital importance to Community affairs. The development of this hitherto neglected branch of the Foundation's activities should in no way work to the detriment of the research and studies pursued with a view to improving living conditions. We therefore support, with the amendment we have tabled to paragraph 8 of the motion for a resolution, the initiative to increase the Foundation's resources. This is the only way of securing the future of research in both fields. Moreover, as is reflected in the opinions of the Committee on Budgetary Control and the Committee on Social Affairs and Employment, the Foundation is already suffering from a lack of working capital. We nevertheless express our reservations as regards the transfer of one branch of the Foundation's activities to the Cedefop in Berlin, as envisaged in paragraph 9 of the motion for a resolution.

We believe that in the interests of regional development in the Community, the competence — and, consequently, the staffing — of the Foundation should not be cut back.

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MARCK REPORT (Doc. 1-1139/83 'EMS AND CAP'): ADOPTED

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REGULATION ON THE COMMON ORGANIZATION OF THE MARKET IN RICE (COM(82) 345 FINAL-Doc. 1-521/82): DEFERRED TO THE NEXT PART-SESSION

* * *

ROGALLA REPORT (Doc. 1-1211/83 'TURNOVER TAXES'): ADOPTED

* * *

LENTZ-CORNETTE REPORT (Doc. 1-1142/83 'MERCURY DISCHARGE'): ADOPTED

* * *

SECOND RABBETHGE REPORT (Doc. 1-1141/83 'DEVELOPMENT AID'): ADOPTED

The rapporteur was :

— IN FAVOUR OF Amendments Nos 1 to 5.

* * *

CAROSSINO REPORT (Doc. 1-1138/83 'INLAND TRANSPORT'): ADOPTED*Explanation of vote*

Mr Seligman (ED). — I should like to add my thanks to Strasbourg for its hospitality and particularly hope that you, Mr President, will still be a member of the Committee on Energy and Research in the next Parliament, because we are very pleased to have you there.

I shall abstain from voting on the Carossino report on the grounds that it is quite inadequate in its attention to the question of Community trunk-road policy. This particularly applies to interprovincial trunk-roads, which should have as much consideration as interprovincial airlines. All the road systems in Europe seem to splay out from the centre like stars, and they should be, in my mind, networks. This particularly applies to Britain, where roads have made very little progress since the time of Julius Caesar. At least the roads were straight in those days, such as the one from London to Chichester. Now, the worst example of lack of dual carriageway is along the south coast of Britain from Dover to Plymouth, and when the Channel Tunnel is constructed, there will be major congestion and danger on the roads 259 and 27, which run along the South coast. My fear is that by then this road along the South coast will be no better than the motorways in Los Angeles, which are regarded as elaborate car parks. So I will oppose the Carossino report.

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NORMANTON REPORT (Doc. 1-1151/83 'ALTERNATIVE ENERGY SOURCES'): ADOPTED*Explanation of vote*

Mr Flanagan (DEP). — I would like briefly to take the opportunity of agreeing very strongly with the sentiments offered to the House by Mr Normanton and by Mr Adam.

I would like to offer a small word of hope. I believe that, even though the summit in Athens was a dismal failure, Europeans who genuinely believe in the future of Europe are thinking deeply at this time. I hope, despite storm signals here and there, that the ship will be able to sail forward in 1984. I even believe that the Council of Ministers — who have been castigated by so many of us, including myself on Monday last — may have a New Year resolution and decide particularly about demonstration projects, which are so vital to the development of our countries, and that they will, as Mr Adam says, sign on the dotted line early in the New Year and thus discharge some of their responsibility for the future.

In conclusion, perhaps I could invoke the spirit of Madariaga and say that, in spite of all our difficulties, there still are men and women of faith in Europe who will go forward in unison and say with him, '*Fiat Europa*' — and a Happy Christmas too!

(Applause)

In this connection I favour the Euro-route scheme put forward by the BSC former chairman, Mr McGregor, and welcome the interest that is now coming from French interests in this scheme.

Paragraph 5 calls for a reduction in obstacles to cross-frontier traffic. My honourable friend, Mr Moreland, went on a visit to Italy this summer and he went in a rather uncomfortable way, as a passenger in a lorry. That showed, beyond all doubt, that the customs posts of the Community have become a source of delay and, unfortunately, a source of corruption. When this was raised with one of my other colleagues, she complained that Mr Moreland has singled out Italian customs posts as a source of corruption, because, as far as she could discover, other frontier posts were also sources of corruption. This must

end. We must also have an end to the quotas, which are just another artificial barrier to a common transport policy.

I am glad to see that recital G says that the common transport policy should be based upon the greatest possible liberalization. Mr President, the greatest engine of human economic progress is the social market economy. If we are ever going to have progress in transport, or anywhere else, we must have the greatest possible liberalization and minimal controls.

At this stage of the year, it is usual for organizations and people to have New Year resolutions. I would just like to say two things. First of all, as 1983 comes to an end, all Members should thank you and the City of Strasbourg for your hospitality and friendship. I think we should also give a message to the Council, which is that in this matter, as indeed in many others, we hope that 1984 will be a year of action. Our expectations, unfortunately, may be somewhat lower keyed.

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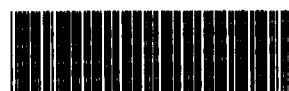
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