Address by Mr E.M.J.A. Sassen, Member of the Commission of the European Atomic Energy Community at Europe House, 16 March, 1961.

It is a great pleasure to be asked to address you here this evening. We in the European Community have been wotching with interest the progress of Europe House which, from its modest beginning only two years ago, now seems to be leaping ahead from strength to strength. It may well be very significant that it has made so much progress during this last year in particular; I, personally, think it is, because it seems to me to be one of the many signs of the recent increase in British interest in the European Community. For during 1960, if I am rightly informed, a weighty, even preponderant section of the British press and public opinion has begun to regard British membership of the European Community as, after all, a practical proposition. I wonder, if I am right in concluding that the fact that your meetings are being held within the Palace of Westminster is another sign of this wind of change!

It is a privilege for me to be speaking to you here tonight for another reason. In the course of my membership of the Netherlands Parliament and of the European Parliamentary Assembly I have come to admire Britain's healthy parliamentary traditions, which are a fine example for any democratic parliament. Its stability is deeply appreciated by all those who suffered from the collapse of democracy in part of Europe and from the war which followed. The interdependence of our countries and our common interests are underlined by the concern that the terrible experience of totalitarianism should not be allowed to recur in Western Europe. Since the war, indeed, interdependence in the free world has become increasignly marked and not only for self-defence and a common approach to world political problems, but also for economic, scientific and cultural reasons.

EUR/C/969/61 e

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Six countries, France, Germany, Italy and the Benelux, accepted the logical consequences of this state of affairs and decided to pool many of their common interests and resources, and to create the necessary common institutions. They started in 1952 with the European Coal and Steel Community - the so-called Schuman Plan. The next stage came in January, 1958, with the European Economic Community (the Common Market) and the European Atomic Energy Community, Euratom. Euratom was set up with a somewhat different task from that of the other two communities which were concerned with the pooling of industrial and economic resources by the creation of a single market. For in the field of nuclear energy the problems were different. At the beginning of 1958 the Community's nuclear industry, apart from France, was at a very early stage of development. Euratom, therefore, was charged with creating an atomic industry on a European scale by making the best use of the technical and industrial resources which the six member countries had to offer.

What exactly is Euratom's rôle? Article 1 of the Treaty says: "It shall be the aim of the Community to contribute to the raising of the standard of living in Member States and to the development of commercial exchanges with other countries by the creation of conditions necessary for the speedy establishment and growth of nuclear industries". The words "conditions necessary" are very important. It is not for Euratom itself to produce nuclear electricity, as a rule. Instead, Euratom must create the optimum conditions for the growth of a nuclear industry Now I do not intend to read out to you a complete list of all the ways in which Euratom is setting out to do this, but I want to tell you about some of the more characteristic or important.

With the total energy needs in the Community doubling in the next twenty years and with electricity consumption in Europe doubling at least every decade, it is clear to us that there will be a marked need for nuclear power towards the end of the 1960s, assuming it has become competitive with conventional fuels. Like your Atomic Energy Authority and U.S. experts we believe that this will occur

# EUR/C/969/61 e

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- 2 -

some time before or around 1970. Assuming it does, we expect to see the cost of nuclear electricity declining and to have about 40,000 MW of nuclear power generating capacity by 1980.

- 3 -

Since 1 January, 1959, the Community has been a common market for all nuclear products, with a common external tariff, either nil or very low or suspended. Euratom is therefore virtually a tarifffree free trade area for nuclear products. The Community is also becoming a common market for specialised labour: a plan has been drawn up for the abolition of restrictions on nuclear employment in the Community, which will shortly be submitted to the Council. . . and to the European Parliamentary Assembly. Since the Treaty stipulates that all Community consumers must have equal access to supplies of raw and fissile materials, and that the Community must formulate a joint supply policy, the Supply Agency, under the control of the Commission, has been set up to look after these problems.

In 1959, Basic Health Standards for the protection of the health of nuclear workers and the public at large were approved by the Council of Ministers; these standards are binding on all member states, who must incorporate them into national legislation; if they fails to do so following a directive of the Commission the matter must be put before the Court of Justice. These Standards are in force in Germany virtually in their entirety, and other Governments have submitted draft legislation incorporating them for the Commission's approval.

Euratom's mandate, I hardly need remind you, is rigidly limited to the use of nuclear energy for peaceful purposes. The Commission therefore has the responsibility to ensure that nuclear materials, whether produced in the Community or imported, are not used for military purposes, unless a specific declaration has been made to the effect that the materials are needed for defence in accordance with an operational plan. Euratom is therefore operating a control and safeguards system, the first international control scheme to be binding on a number of states, which keeps track of all nuclear materials in the Community except those specially prepared or stocked on military premises. The British and American governments have

### EUR/C/969/61 e

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accepted this system as equivalent to their own. Under our control and safeguards arrangements all Community firms, institutes and establishments, operating in the nuclear field must make declarations of their stocks and transfers. Commission inspection teams, which started work in 1960, make regular visits to installations to ensure that the declarations are being properly made.

Nuclear accidents must always be regarded as a risk, however remote. Such an accident could affect several countries at the same time. This has been acknowledged by the O.E.E.C., whose Convention on the subject requires governments to ensure that enterprises are covered for liability for up to \$ 15 million. We have regarded this maximum as insufficient and drafted a supplementary convention. According to this convention the government on whose territory the accident takes place must make good up to \$ 70 million in damages and, should this still prove insufficient, the Euratom countries must intervene to make good jointly sums beyond the \$ 70 million and up to \$ 120 million. This <sup>E</sup>uratom Convention is now before the Council of Ministers.

The Commission decided right from the start that, in order to make up for lost time, the Community must seize every opportunity to learn from the achievements of other countries and to share the results of its own research experience with them. Agreements have therefore been concluded with the U.S.A., the U.K. and Canada and these three countries, along with seven others, have diplomatic missions accredited to the Community. The agreement with the U.S.A. provides for a joint power and research programme, the one with Canada for joint research on heavy water reactors and the one with Britain for co-operation and the exchange of information and training facilities. Here I might mention that Euratom personnel are working at Harwell and we expect to receive British personnel to work for a time on the materials' testing reactor at Mol, Belgium. Another example of co-operation, this time between the U.K., the U.S. and Euratom, is the building-up of a joint documentation centre, one of

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whose publications is already appearing, namely the "Transatom Bulletin" which provides information on translations of atomic texts from Slav or Oriental languages.

At the same time, Euratom is participating actively in a number of international organisations, notably the O.E.E.C., whose joint research projects provide another field in which British and Euratom personnel are working side by side: the Community and Britain are each providing 43% of the cost -£ 13 million - of the "Dragon" high temperature, gas-cooled reactor at Winfrith Heath, Dorset and more than 30 Euratom scientists and technicians are working in the joint team there. Another example is the O.E.E.C. Halden reactor project in Norway.

I have left to the end this subject of research, which is in many ways, for the time being at least, the most important side of Euratom's work for the nuclear industry of the future. When will nuclear power become competitive? This depends entirely on what progress is made developing new types of reactors and improving the fuel cycle. Euratom research, it should be emphasised, supplements national programmes; it does not replace them. The joint research programme is being executed in three different ways: in the common research centre, through contracts with other institutions or industries, or through participation in international projects such as those of the O.E.E.C.

The common research centre will consist of four different establishments. Two will have a general mandate, namely the centre at <u>Ispra</u> in Italy, where some 660 of our staff are working already and about 1,000 will be working there by the end of the yea, and <u>Petten</u> in the Netherlands, on which an agreement with the Dutch government will be signed soon.

The third establishment is the Central Nuclear Measurements Bureau at Mol, already functioning for some time. Fourthly the Transuranian Elements Institute at Karlsruhe, for which an agreement was recently concluded with the German authorities. This institute

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- 5 -

will specialise in research into the use of plutonium and similar heavy elements for nuclear power production.

So far more than 70 research contracts have been concluded with nuclear firms or research establishments involving an expenditure of about £ 10 million. The contracts with industrial enterprises have acted as a valuable stimulus and substitute to firms still deprived of power plant contracts due to the present general abundance of low cost conventional energy.

It is the Commission's policy to obtain experience of a variety of different promising reactor types. Apart from research to improve reactor types that are already functioning, the Commission has undertaken the development of the heavy water moderated, organic cooled reactor (ORGEL) in co-operation with the Canadians and it is also participating in research projects on gas-cooled, homogeneous and fast breeder reactors.

Recently the Commission broke into a new field, that of nuclear ship propulsion. The Community is participating in the studies being undertaken by a consortium im Hamburg, which includes the governments of the Federal Republic and of several German states, Interatom and other companies. Eventually, our German partners intend to build a nuclear propelled ship and it is possible that the Community will join in that stage too, if the preliminary studies are successful. Similar contracts are likely to follow with French, Italian and Dutch groups whose plans are each based on different reactor systems. Each contract will provide for a pooling of information between all participating parties, including Euratom, by the establishment of a liaison group for the purpose. Thus we have devised a systematic approach, making maximum use of our resources, to the problems in this field, in which much has still to be done but which, over the long term, is considered promising.

Euratom's research work is not limited to power reactors. We are also working on the harnessing of thermo-muclear fusion under an association contract with the French. We are tackling the enormous

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# EUR/C/969/61 e

field of radioisotopes; for instance, we are about to sign a broad association contract with a Dutch institute at Wageningen on the use of radioisotopes in agriculture.

With \$ 75 million allocated to Community research in 1961, the Euratom research programme is clearly well under way. This goes to show that within three years of our creation and starting from scratch we have become a reality that is here to stay and, we like to think, a dynamic and - I hope - an effective organisation.

I have not attempted to describe the Community's institutional structure because I am sure you are already well informed about it. But there are a few things I should like to say about the relevance of the methods laid down in the Rome Treaty to our problems.

We have found that the element of additional drive which Euratom is putting behind nuclear development in Europe could never have been achieved by intergovernmental co-operation. At the present time in particular, with nuclear power somewhat out of fashion as a topic

of immediate urgency, there is need for a pushing executive with powers and means of short as well as long-term action of its own and for decisions to be taken by a majority vote instead of unanimity. The Commission as a body is appointed for a four years term by one common act of the Six governments. Its Members have to perform their duties in the general interest of the Community, without seeking or accepting instructions from any government or other body. There is also need for an independent Court of Justice and for the political support of the European Parliament, which brings public opinion to bear on the Community. You will know that the Euratom Commission does not exercise the same powers of decision as the E.C.S.C. High Authority. But it is a fact that the Commission's policy proposals can only be amended by a unanimous vote of the Council of Ministers; and that is something that has never yet happened. Nor does the Commission have the same financial independance as the High Authority.

On the other hand, the Treaty stipulates that the equivalent of \$ 215 million shal? be at the Commission's disposal to finance the common research programme during the first five year period.

# EUR/C/969/61 e

- 7 -

This guarantee has greatly facilitated long-term planning of Community atomic research. Atomic institutions elsewhere which do not have this guarantee are envious of it.

- 8 -

Thirdly, there is the political and democratic aspect of our work. The influence of the <sup>E</sup>uropean Parliamentary Assembly, to which the Commission is responsible, is much stronger than its limited formal powers might suggest. The Commission must submit to it an annual report and its expenditure proposals and in other ways keep the Assembly informed of what it is doing. Both in its plenary debates and in its 13 specialised committees, close watch is kept on the activities of the Commission. In the background, of course, it has the one very drastic power: it can adopt a motion of censure, obliging the Commission to resign as a body.

The European Communities have now emerged as tangible realities, and an effective directing force. There are daily new signs that this state of affairs is more and more readily accepted by the great majority of people in the member countries and unanimously by the younger generation. It is significant that most of the candidates at the recent French elections presented themselves to the electorate as supporters of a united Europe, Non-communist trade union support has been strong and continuous from the start. Another sign is the increasing support of industry, which contrasts strongly with the doubts and caution which prevailed in certain such quarters before the Rome Treaties were signed. Scepticism has given way to a new dynamism and an unreserved acceptance of the common market, which is now the basis of industry's planning for the future. Of course, business and agricultural interests are critical on specific questions, but is there any reason why the Community institutions should be exempt from the sort of criticism levelled at the national governments?

Now, I should like to say a few words about the European Community's plans for the future. Last year's decision of the six governments to accelerate the establishment of the common market is the strongest possible evidence of their conviction that they

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have set the right course. Further steps have already been proposed as logical extensions of proven formulas. These steps are: a merger of the three executives on the basis of the existing Treaties; secondly, direct elections for the European Parliament, and thirdly the creation of a European University including the granting of a "European" status to a number of specialised educational and research institutions within the member countries.

**⊸ 9 –** 

The European Parliament and several, if not yet all of the six governments approve of these proposals and regard them as urgent. Some governments are, for reasons known best to them, still reticent. One may expect this to be temporary for in fact the new ideas are likely to materialise and take the process of integration even further. It is difficult to see how this process of internal economic transformation and simultaneous institutional build-up, the two under constant pressure from world politics, can lead to anything but political unity.

Whether this unity will be called federation or confederation is irrelevant. The growth process may or may not follow all the details of constitutional law and such theoretical logic as is reflected in the title of the Constitution of Switzerland, reading: Constitution Fédérale de la Confédération Helvétique"! Whatever happens, European nations with their wealth of values and variety of traditions will continue to exist in an integrated European Community, even with a political Authority. I can see no reason for instance, why, in such a European Community, the Crown of the Netherlands should not be passed on by and to the heirs of Her Majesty Queen Wilhelmina. Undoubtedly, the United States of Europe will be quite different from the United States of America.

If these happenings in the Community are encouraging and inspiring, it is equally regrettable that there are only six members. The Six have regrettel this from the start. I need only mention the invitation to Britain to take part in the Coal and Steel Community from the very beginning, the sad story of the European Defence Community -

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# EUR/C/969/61 e

the failure of which becomes more and more regrettable - and the British withdrawal from the Brussels meeting at the end of 1955 at the point when serious negotiations began for the Rome Treaties, which, it will be remembered, contain a "standing invitation" to European countries to join the Community.

Nevertheless, the Community, since its formation, has been interpreting the Treaty in the most liberal way as regards outside countries. The external tariff could have been higher. The abolition of quota restrictions on industrial imports from third countries has been accelerated. Thirdly, the Community anticipated the results of the "Dillon negotiations" by making a provisional reduction of 20% in its external tariff. And it proposed on its own initiative, a further round of substantial tariff reductions on a basis of reciprocity to follow the "Dillon negotiations". Finally, the Community has proposed the establishment of a contact committee, now the commission of 21, to deal with specific trade difficulties for third countries arising from the Treaty. A group anxious to protect itself from a world it does not like would have acted differently!

The Six regret having had to "go it alone", but had they not done so, no significant progress towards European unity would have been made at all; and from this there will most certainly be no going back. History will surely come to decide that the work of the last eight years has prepared the way for whatever constructive and final solution is found.

In this connection I should like to mention the statement of Mr Heath, Lord Privy Seal, at the Council meeting of Western European Union on February 27. His declaration that Britain is willing to accept, in accordance with the Community of the Six, a common or harmonised tariff on raw materials and manufactured goods, as well as the expressed willingness to accept the need for common institutions to govern the new arrangements, were noteworthy.

It would be unrealistic for the Six not to take full account of the relationship with, and the interest of the Commonwealth

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countries, the members of the European Free Trade Association, the partners in the Atlantic Alliance, and not to forget the so-called "forgotten five".

The Community is equally aware of the difficulties caused by different agricultural policies and structures. It is in a position to consider them with understanding based upon practical experience. Hypothetical dangers always take too large a part in discussions about purely theoretical schemes. On the other hand, the inclusion of agriculture in the arrangements between the Six and others - be it on the basis of a transitional period of some length - seems quite indispensable to bring about a final and satisfactory solution to the problem of Britain's relations with the Community.

The fact that the Community concept first materialised in the economic field is a convincing argument to give first priority to the economic questions. This would permit the solution of a number of urgent problems, it would strengthen Europe and provide the dohesion which is indispensable for the political partnership we equally need.

Thinking should, however, not be limited to the common market treaty. The Economic Community, the Coal and Steel Community and Euratom must be considered a whole. This view is confirmed by the existance of institutions common to the three, the Assembly and the Court of Justice, and by the general day to day experience that lead to the proposal to merge the three executives.

As far as Euratom is concerned, we can all, inside as well as outside the Six, readily agree about the limitations of our scientific resources; as space research show us, this is a field par excellence to be tackled jointly. Indeed, practical steps to transform the co-operation on which the U.K. and Euratom have embarked into a real joint working partnership should be taken now, without waiting for more binding negotiations. A broadening of the co-operation into such a joint working partnership could be worked

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#### EUR/C/969/61 e

out straight away without the changing of a single clause in the U.K./Euratom Agreement.

The decisions that must be taken will be of historical importance. The issues, and the problems involved, which are formidable indeed, can only be seen in the right perspective when seen in the light of the future. Even people younger than I will agree that 40 years is not very long, even in a human lifetime. Let us then look at the year 2,000 40 years ahead. I recently read a study by Prof. Fritz Baade about the evolution of the world's population. Using facts collected by the United Nations he estimates that in the year 2,000 there will be about 6,000 million people, of whom 1,000 million in the present Western world, 3,000 million in the Communist bloc, and 2,000 million in the areas that are still uncommitted but a large part of which may also become communist.

This long-term prospect certainly is not very bright. Some people would reply that this leaves us some breathing space; I should like to remind them of the fact that even today the outlook is far from reassuring, 'ne population of Western Europe is now only one tenth of today's world population. One could call this a statistical explanation of the numerous political and economic problems threatening us today. But they also show the magnitude of the tasks as regards the developing countries. The way of life of those 6,000 million, especially the two billion living in the still uncommitted areas, will largely depend on the assistance we can give these countries <u>now</u>. We have many reasons to think of Africa in this context. An enlarged and therefore already reinforced European Community could be of great avail to a healthy African development, avoiding divisions which might have historic reasons but which will prove to be harmful in the future.

Many of you will agree, at least to some extent, with these thoughts. Those who do will understand that the Community must go on developing itself without waste of time and opportunities.

As far as Britain is concerned, we in the Community note ../..

- 12 -

with satisfaction the attention given to the relationship with the Six and the growing awareness that temporary compromises or partial solutions would not represent <u>a solution</u>.

It is up to Britain to make her choice. I hope to have shown to you that the door is wide open and that theCommunities would greatly welcome Britain's decision to enter as a full Member.