European Pa nation e Sittings Tel s

#### THE SITTINGS

#### STRASBOURG 23rd - 27th APRIL 1979

#### THE WEEK

## 1979 budget amended

With elections pending in Italy, Luxembourg and the United Kingdom and the first European elections now only six weeks away, the European Parliament has had a quiet time here in Strasbourg this week.

Its first business was to adopt a supplementary budget amending the 1979 budget adopted by Parliament in December; its effect is (a) to change the Regional Fund appropriation from 1,100m EUA to 945m EUA (£693m to £595m) and (b) to enter appropriate figures for the interest rebate arrangements coming into operation under the new European Monetary System. These amount to 200m EUA (£126m) for Ireland and Italy, with 45,373,000 EUA (£28,581,632) being included for the United Kingdom as compensation for her non-participation in EMS.

In debates on energy and research the House agreed to a motion calling for a greater Community effort in space research (Mr Brunner, energy Commissioner, liked the idea but said there were a host of practical difficulties); it also looked at Euratom's effectiveness in preventing nuclear weapons proliferation, and agreed to a motion calling on the Commission to investigate the causes and consequences of the Harrisburg accident.

Other points from the week's business: a major debate on restructuring industry (special emphasis being placed on steel); discussion of Mr Lagorce's report on the code of conduct for EC firms operating in South Africa; and Mr Calewaert's report on liability for defective products.

# Monday evening (5.10 pm to 7.20 pm)

After making a number of changes to its agenda for the week, the House went on to discuss two issues: youth policy and the ESB (European Social Budget), a forecast of EC social spending. On youth policy, there was a general welcome for the Commission's proposal for a second "young workers' exchange programme", which will help finance experience abroad for some 6,400 young people aged 16 to 28. On the ESB, Mr Vredeling thought Commission staff resources were insufficient to expand its scope much.

# Tuesday morning (10.15 am to 1 pm)

Members today considered a Council draft amending the original budget for 1979 which Parliament adopted in December. Its effect would be to reduce the sum entered for the Regional Fund from 1,100m EUA (£693m) to 945m EUA (£595m) and to provide 200m EUA (£126m) for interest rate subsidies for Ireland and Italy as part of the European Monetary System. It also includes 45m EUA (£28m) as financial compensation for the United Kingdom for not participating in the EMS.

## Tuesday evening (3.10 pm to 8 pm)

The main talking point in the European Parliament this afternoon was energy and what the Community should and can do about the various energy options. There was general support for a Commission proposal to subsidise coal sales, though the 'temporary' nature of the aid does seem slightly questionable, to some Members, twelve years after its introduction. But there was fairly general concern about the nuclear power station accident at Three Mile Island. Safety came first, argued energy committee chairman Hanna Walz but no one, she felt, believed they could go back on the nuclear option now.

# Wednesday morning (10.05 am to 1.20 pm)

The European Parliament debated three points this morning: relations with the USA, what the Community is doing for consumers and new Commission proposals to help sectors of industry become more competitive. The help will be in the form of interest rebates and could be worth up to £16,860 for every job created with new investment.

## Wednesday evening (3.10 pm to 8.35 pm)

Parliament discussed South Africa and the Middle East in two debates this evening. The House expressed its support for Mr Lagorce's report on the

code of conduct for Community firms operating in South Africa: this code, whilst being far from perfect, was at least a tangible sign of the Community's determination to combat apartheid. However, there was a general feeling that, as long as there existed no penalties for non-observance, its effects would remain limited. On the Middle East, speakers welcomed the Israeli-Egyptian peace treaty but expressed some pessimism as to the future. There was also a feeling that Europe should play a greater role in this area.

# Thursday morning (10.05 am to 1.55 pm)

Two main themes dominated this morning's debate on product libility: the correctness or otherwise of taking EEC Treaty Article 100 as the legal basis for the proposed directive, and the danger that manufacturers' costs in meeting the provisions of the directive could lead to higher final prices for the consumer. At the conclusion of the debate, Vice-President Deschamps, in the Chair, said he thought the debate, coming as it did just weeks before direct elections, clearly showed that the Community and the European Parliament were concerned with matters of direct concern to the electorate.

# Thursday evening (3.10 pm to 4.25 pm and 5.05 pm to 7.55 pm)

The European Community should accede to the European Convention on human rights, according to a motion put down by Parliament's political committee and debated in the House this afternoon. And EC citizens should be protected by a "charter of citizens' rights". In other business, Parliament called for the collection of data on accidents in the home, made a plea for simplification of laws governing organ transplants and asked the Commission to increase EC food aid to the poorer countries.

# Friday morning (9 am to 11.20 pm)

Friday morning's crowded order paper contained, as ususal, a number of more or less technical matters — barriers to trade, road haulage, the common fruit and vegetables market, the elimination of swine fewer. But Parliament also agreed to two emergency motions calling for Community help to the peoples of Uganda and those affected by the recent earthquake in Yugoslavia. Mr Tugendhat said the Commission had already taken steps to provide immediate aid to both countries.

## MONDAY 23rd April 1979

The President opened this evening's sitting by paying a special tribute to Jean Monnet who died last month. The President described him as being among 'the most illustrious of Europeans'.

The president announced he had learned with regret of the death on 18th April of Mr Sean Brosnan.

Silence was observed as a mark of respect.

The President welcomed a delegation from the Australian Parliament to the official gallery.

Lord Bruce protested that the Council's draft supplementary and amending budget, due to be discussed on Tuesday this week, was not described as such by the Council. President Colombo ruled that it was indeed a draft supplementary and amending budget. There was no question about this.

## Young workers

Mrs Cassanmagnago Cerretti's report (Doc. 91/79)

Mr Schreiber's question (Doc. 60/79)

Article 50 of the EEC Treaty provides for a joint programme to encourage the exchange of young workers. The first such programme, adopted on 8 May 1964, gave some 1500 young workers the chance to spend time working in another EC country. The Commission is now proposing a second joint programme, for the period 1979-1983, covering a total of some 6400 workers aged between 16 and 28. Total cost for the five years would be just over 8m EUA.

Mrs Maria Luisa Cassanmagnago Cerretti, for Parliament's social committee, welcomed the proposal. But she was concerned that the funds earmarked in the 1979 budget (650,000 EUA - £423,000) would be sufficient to meet the programme's aims for this year.

Mr Heinz Schreiber (Ge, S) asked the Commission what progress had been made in the development of a Community youth policy in the last ten years, what the present situation of the Youth Forum was, what proposals the Commission had for developing 'out of school' educational activities and for details of the second programme for the exchange of young workers.

The Socialist group, Mr Schreiber added, would support Mrs Cassan-magnago Cerretti's report.

Mr Jean-Marie Caro (Fr), welcoming the report for the Christian Democrats, stressed the importance of the Youth Forum in the organization of exchanges.

The Communist group was also favourable to the exchange programme, Mrs Squarcialupi (It, CA) said.

In reply, Commission Vice-President Vredeling thanked speakers for their support. He agreed that the Youth Forum had a special role to play. The Commission would certainly consult the Forum on all matters of concern to it, and looked forward to hearing its views.

On the subject of 'out-of-school' activities, Mr Vredeling said that the Commission was not planning to put forward new proposals.

The report was adopted.

# Social spending

Mr Wawrzik's report (Doc. 25/79)

The Commission's second European Social Budget (ESB) contains projections for developments in Member States' social expenditure until 1980, as well as an analysis of the situation from 1970-1975. Mr Kurt Wawrzik (Ge, CD), for the social committee, introduced his report welcoming the second ESB, but asking that future ESBs (to be published at two-yearly intervals) be more comprehensive and cover three-year periods at a time.

More generally, the speaker felt the Community itself could be doing more in the social sector — eg. in family policy, helping the handicapped, etc.

For the Commission, Mr Vredeling pointed out that there would be considerable pressure on available staff if all the sectoral data called for by Mr Wawrzik were provided. There was a limit to what the ESB could realistically cover. Mr Vredeling also wondered whether the term 'social budget' did not lead to some confusion: a better description, he felt, might be 'multiannual forecast for social expenditure in the Community'.

The motion was agreed to.

# **TUESDAY 24th April 1979**

# Supplementary budget

The Council has forwarded to Parliament a draft supplementary budget amounting to 744,373,000 EUA (£468,899,906). This gives a new total of 13,685,726,875 EUA (£8,620,995,188) for the 1979 budget.

To give the Council's document its full title, the draft amending and supplementary budget number one comprises only two main features. The first is a change in the amount originally entered in the 1979 budget for the

regional fund and the second is an entry relating to the introduction of the European Monetary System.

The Council's draft amends the amount entered into the 1979 budget (adopted in December) in respect of the Regional Fund. This stood at 1,100 million European units of account (£693m) and comprises 1,000m EUA (£630) to be divided up among the Member States according to a preestablished key (28% for the UK, 6% for Ireland) and 100m EUA (£63m) to be distributed according to other criteria. This bit is known as the ex-quota part of the Regional Fund.

The draft supplementary budget brings this RF figure down to 945m EUA (£595m) made up of 900m EUA (£567m) for the quota part and 45m EUA (£28m) for the ex-quota part.

These are commitment appropriations. The payment appropriations are brought down from 518m EUA (£326m) to 483m EUA (£304m) for the quota section and from 35m EUA (£22m) to 16m EUA (£10m) for the non-quota section.

The Council's draft also includes 200m EUA (£126m) in respect of interest rebates payable under the general umbrella of the European Monetary System. And there is a further amount of 45,373,000 EUA (£28,581,632) payable as "Financial compensation to the United Kingdom".

Commenting on this supplementary draft, budgets committee rapporteur Martin Bangemann's main concern was to urge the Council, in future, to come together with the European Parliament over any question of how the Treaty articles concerning the budget should be interpreted. As for the interest rebates, Mr Bangemann said Parliament's view was that they did not necessarily result from the treaty and that they should come into the category of expenditure over which Parliament had the last word.

This view was not shared by Commissioner Christopher Tugendhat. The rebates followed from a Council decision spelling out a clear commitment. This said, his concern was about various items not included in the Council's draft supplementary budget which he felt should have been included: items concerning energy, the employment of young people and so on. It would be unfortunate, at a time when Parliament's ideas on the budget and particularly on the regional fund seemed to be prevailing, for this to be at the expense of other items that should be in the 1979 budget.

#### The debate

Socialist group spokesman Mr Piet Dankert saw the supplementary and amending budget as something of a face-saver for the Council: better that that continued intransigence, however. The whole episode had shown that "this relatively powerless Parliament" could make its voice heard.

Mr Camillo Ripamonti, for the CD group, said he and his group fully endorsed Mr Bangemann's motion. The Commission had, in effect, amended the Community's legally adopted budget. This was a serious matter and if it were not for direct elections, Mr Ripamonti said, he would put down a censure motion against the Commission.

Mr Bangemann described the differences between regional, social and EAGGF Guidance funds as artificial. We might do better to concentrate our efforts on specific problems rather than seek out problems which happened to fit the one fund or other.

Lord Bessborough, for the Conservatives, thought there would be little point in pressing the amendments, however commendable many of them were, since there was no chance of a two-third majority being found.

He thought there was a case for reducing the RDF in view of the introduction of the interest rebates scheme for structural loans.

Communist spokesman Mr Altiero Spinelli said his group would vote in favour of Mr Bangemann's motion. While regretting the cut represented by the supplementary budget vis-à-vis Parliament's original Regional Fund proposals, Mr Spinelli felt it was not worth pressing to restore it.

Mr Ib Christensen warned against using the recent conflict with Council as a means of increasing Parliament's powers.

Lord Bruce said the decision by Parliament to fight for a large regional fund had been inspired by a desire to show the peoples of Europe that Parliament was concerned at the regional disparities existing in the Community. It was wrong to suggest that the EP had exceeded its powers.

Lord Bruce went on to suggest that the Presidency of the Council had engaged in various manoeuvres in an effort to save face on the matter of Parliament's demands.

Budgets committee chairman Erwin Lange agreed: the budget had been officially adopted in December, and that should have been the end of the matter. There should have been no need for a "supplementary and rectifying budget", since there was nothing to be rectified.

It was put to the vote after all amendments to it had been withdrawn, and was unanimously agreed to.

#### Loan rebates

Mr Notenboom's report (Doc. 84/79)

The Commission is proposing to pay out a 3% rebate on loans for structural projects totalling 5,000m EUA (£3,373m) over five years. The annual totals will be 1,000m EUA (£674.5m). The value of the rebates, amounting to three per cent, will be 200m EUA (£135m).

Although it is for the Council to decide which 'less prosperous' Member States are to benefit from the scheme, it is assumed that Ireland and Italy will be the beneficiaries, with the United Kingdom benefiting too in the event of her joining the European Monetary System.

The money would come either from the European Investment Bank (EIB) or the NCI (the new Community instrument).

Article 9 of the proposed regulation provides for compensation for any Member State not taking part in EMS. This will, in fact, mean some 47m EUA (£30.5m) for the UK — a point on which Harry Notenboom (Du, CD), rapporteur, had serious doubts. He felt such appropriations for Member States not taking part in common policies must be regarded as quite exceptional. He also objected to the way the European Council introduced this idea, feeling it is undermining the budgetary procedure.

The motion contained in his report called for amendments to the Commission proposal.

Mr Ripamonti and Mr Bangemann spoke in support of the motion. But both stressed the funds concerned should come into the 'non-obligatory' section of the budget.

The motion was adopted.

# Ortoli facility

Mr Spinelli's report (Doc. 45/79)

On 16th October 1978 the Council decided to take advantage of the Community's credit rating to raise loans worth 1,000m EUA or £674.5m for the purpose of promoting investment within the Community. The scheme became known as the Ortoli facility, after the Commissioner responsible.

The Commission is now proposing to raise an initial loan of 500m EUA (£337m) for investment in infrastructure and in energy.

While asking Parliament to approve the Commission's proposal, Altiero Spinelli (It, CA) (for the budgets committee) found it regrettable that no details were available as to the nature of the operations the Commission is preparing to finance.

And Ernst Müller-Hermann (Ge, CD) asked the Commission to report regularly on the work done through this facility. For, as Martin Bangemann (Ge, L) stressed, the ignorance of what the Community could do through loans was 'shocking'.

In reply, Mr Ortoli denied any lack of coordination. All the Commission's loan activities came under one man.

The motion was adopted.

#### Administrative tribunal

Mr Cointat's report (Doc. 102/79)

The Commission is proposing to set up a tribunal to deal with the purely administrative cases (involving Community staff) which are at present dealt with by the Court of Justice.

Mr Cointat's (Fr, EPD) report for the budgets committee called for amendment of the proposal to guarantee the tribunal's independence and impartiality. Moreover, it rejected any implicit limitation of the right of EC staff to appeal to the Court, under EEC Treaty Article 173, against regulations of Community institutions which affect them.

While sympathizing with Mr Cointat's concern, Mr Tugendhat said the Commission could not accept the amendments proposed.

The motion was adopted.

# EPs expenditure

Each of the Community's institutions is required to submit an income and expenditure account, every year, in respect of the previous financial year. Mr Cointat, for the budgets committee, accordingly submitted a statement of the EP's administrative expenditure for 1978.

# **Regional Fund**

Mr Bangemann's question to the Commission (Doc. 59/79).

The Council adopted a regulation in February 1979 creating a 5% 'non-quota' reserve as part of the Regional Fund. Mr Bangemann and colleagues raised a number of questions: should a non-quota section lead to a reduction in other regional fund aid? Should not the amount have been decided as part of the budgetary procedure? And is 5% enough?

In reply, Mr Tugendhat said the Commission believed that the non-quota section should be additional to the fund itself. The Commission did not consider 5% adequate; it could be regarded at best as a minimum, and would probably have to be increased in due course.

#### Coal and coke

Mr Ibrügger's report (Doc. 69/79)

For the energy committee, Lothar Ibrügger (Ge, S) welcomed the Commission's proposal to renew a system of aids for coke and coal for the iron and steel industry. The proposal provides for a 'production aid' to be paid

from the national budgets of the coal-producing Member States and a 'sales aid' to be financed from a special Community fund. The purpose of the sales aid (4.7 EUA -£3 per tonne) is to make EC coking coal and coke more competitive with imported coal.

For the budgets committee, Lord Bessborough (UK, EC) pointed out that there had been 'temporary' sales aids for coal since 1967. But this was less disturbing than the diverse way the aids were financed. Surely the answer was direct financing from the Community budget. Meanwhile, Lord Bessborough suggested, the scheme should continue to run for two years only, pending fresh proposals.

For the Socialists, Mr Hans-Joachim Hoffmann (Ge) reminded the House that the fall in value of the dollar had made US coal cheaper, with German coal becoming dearer. The measure proposed was therefore to be welcomed.

For the Christian Democrats, Mrs Hanna Walz (Ge) agreed the scheme should run only until the end of 1980 and not to the end of 1981 as the Commission proposed.

For the Communists, Mr Protogene Veronesi (It, CA) welcomed the concern for the future of coal which the Harrisburg accident had thrown into a new light. But the proposals were a bit piecemeal. His group would abstain when the motion was put to the vote.

Mr Willi Müller (Ge, S) welcomed the measure; it would be good news for those working in the coal indudstry.

Mr Ib Christensen (Da, Ind) doubted whether the aid served a useful purpose. And increasing this aid, from 31m to 70m EUA would be an extra burden for the taxpayer. He called for the proposal to be rejected.

In reply Commissioner Brunner said the coal export subsidy scheme was part of a bigger package. But he reminded the House it took nine years to build a coal-fired power station; so it was important not to prejudice the industry's future by failing to keep pits going. And the market argument had its weaknesses; the market, for example, could not anticipate developments in the Middle East. The measures were, he felt, a worthwhile compromise. He accepted the scheme should be subject to annual renewal but could not agree it should only run until the end of 1980.

The motion was adopted.

## Space research

Mr Ripamonti's report (Doc. 2/79)

Europe should play a greater role in space research, Mr Camillo Ripamonti (It, CD), rapporteur for the committee on energy and research, told the

House this afternoon. Space exploration has been the preserve of the US and the USSR until now but the Community, Mr Ripamonti's motion suggested, 'possess the necessary intellectual, technological and financial means' to play an enhanced role.

This role, however, should not be concerned with producing 'space spectaculars' but rather with more practical matters such as telecommunications, educational television, weather forecasting, space biology, etc. To achieve these objectives, Mr Ripamonti's report recommended Community cooperation in the European Space Agency, which should 'draw up a detailed European Programme for the next ten years'.

Mr Gerhard Flämig, for the Socialists, said the report deserved the House's support because it was realistic.

Christian Democrat spokesman Hanna Walz agreed. She felt there was a particular need to assert Europe's role in a sphere dominated by the USA and USSR.

Mr Tom Normanton, speaking for the European Conservative Group, said the US and Europe were now in a position to make commercial use of space technology. An example of a European application would be direct satellite relay of Member States' TV broadcasts around the Community. Looking ahead, solar power stations in orbit could contribute to Europe's energy supplies. If, however, we ignored the challenge in this field, we should find ourselves increasingly dependent on the United States.

Further support for Mr Ripamonti's report came from Communist spokesman Mr Protogene Veronesi, for whom space research represented not a luxury but a necessity for Europe.

For the Commission, Mr Brunner warned against excessive optimism. It was not merely a question of satelittes, but also of the launching vehicles needed to put them into orbit. That cost money, and the possible economic returns would be slow in coming.

As for ESA, Mr Brunner was not sure that Member States would be willing at present to make the necessary financial commitments.

The motion was adopted.

## **Euratom Inspectorate**

Mr Mitchell's report (Doc. 3/79)

The Euratom Inspectorate is responsible for monitoring the movement of nuclear materials within the Community, chiefly with a view to preventing the proliferation of nuclear weapons.

In his report for the energy and research committee, Mr Bob Mitchell (UK, S) considered Euratom's political and technical effectiveness in this field. His main conclusion was that there should be closer cooperation between the Community (Euratom) and the IAEA (International Atomic Energy Agency), and that to this end a permanent Euratom representative should be established at the IAEA's seat in Vienna.

Presenting this report, Mr Gerhard Flämig (Ge, S) said the committee's main concern was with the way Article IV of the Non-Proliferation Treaty was being applied by certain states.

For the Christian Democrats, Mrs Walz quoted the British Foreign Secretary's remark that about twelve countries now have the basic knowledge and access to fissile material required to produce nuclear devices and that by 1987 a further 20 states could be in a similar position if they took the decision now. This danger was frightening.

For the European Conservatives, Tom Normanton went into the misgivings about the motion expressed by the European Progressive Democrats. To which Pierre Krieg replied that his group was concerned about the supranational implications of the inspection procedures called for.

Replying for the Commission, Mr Brunner defended the record of Euratom, from which everyone in the Community had benefited, he said.

The motion was adopted.

#### Three Mile Island

Mrs Walz's motion (Doc. 81/79)

Mrs Hanna Walz (Ge, CD) tabled a motion on behalf of the energy committee calling on the Commission to look into the causes and consequences of the accident at the Three Mile Island nuclear power station near Harrisburg, Pennsylvania, USA. This motion received general support and, in reply, Commissioner Natali promised a report in May. This would not, at that stage be a final one, however.

Among the points made in a brief debate: Socialist spokesman Gerhard Flämig said the world looked different now. But what was the alternative to nuclear energy? European Conservative spokesman Tom Normanton, supporting the motion, drew attention to the comment of a US friend of his living within five miles of the Three Mile Island power station who, on seeing television reports of the accident, wondered what he himself had actually seen and where the reporters had actually gone to get their stories. He felt there were some who were only too anxious to foster public disquiet about the nuclear option. The motion was adopted.

# WEDNESDAY 25th April 1979

#### **EC-US** relations

Mr Zagari's questions to Commission, Council and Foreign Ministers (Docs 56/79, 57/79, 58/79).

Members of the EP's delegation to the US Congress (chairman: Mario Zagari) feel that the EC's dialogue wih the USA on, eg international trade, monetary affairs, energy and foreign policy should be stepped up. Do Commission, Council and Foreign Ministers share this view, the questionners wanted to know, and what measures are envisaged to enable the Community "to speak to the United States with a single voice"?

In reply Council President Bernard-Reymond pointed out that close contacts were already maintained between the EC and the US in a wide range of international bodies. These relations were usually close, but there were areas where conflicting interests made the dialogue more complex.

For the Commission, Vice-President Haferkamp said that the success of the GATT Tokyo round would have been impossible without frequent bilateral EC-US discussions. This was just one example of the quality of relations between the two sides.

Mrs Hanna Walz raised the question of US uranium supplies for Europe, and the more general question of US energy consumption and oil imports.

On the same point, Lord Bessborough said he had learned with some dismay that oil consumption by motor vehicles in the US was still increasing: firmer US action was needed on energy conservation.

#### Consumer programme

Mrs Krouwel-Vlam's question to the Council (Doc. 61/79)

Although the Commission is now preparing its second action programme for consumers, several members of the environment, public health and consumer committee were concerned that most of the first programme has still not been put into effect. Mrs Annie Krouwel-Vlam (Du, S) asked for details of projects not yet implemented and reasons for delay.

In reply, Mr Bernard-Reymond, French Secretary of State for Foreign Affairs and Council President said there were procedural as well as practical reasons for the delays. Eighteen months elapsed between the Council's decision on the programme and the Commission's proposals. And of the seven proposals put forward, the Parliament had still to give its opinion on four of them. Nonetheless it was worth drawing attention to an important Council directive of December 1978 which would afford the consumer considerable protection.

This was the directive, on product labelling, calling for details as to maker, store life, ingredients and so forth to appear on the labels of food products traded in the Community.

Some Members, including Guillaume Schyns (Be, CD) and Jan Baas (Du, L) felt more should be done.

Lord Bethell (UK; EC) drew attention to the long list of directives on consumer affairs that had gone to the Council in the last four years and were still awaiting a decision. The consumer tended to be a poor relation, he thought.

Lord Bethell also felt that some of the proposals being put forward tended to lack credibility — he quoted the bid to harmonize mayonnaise and the rather unfortunate attempt to standardise hallmarks. He hoped the new Parliament would be a real watchdog over prices on the consumer's behalf.

In reply, Commissioner Burke outlined what the Community had done on behalf of the consumer.

The Council had adopted some 35 directives and was discussing several other proposals both under the programme to remove technical barriers and under the preliminary consumer protection and information programme. These directives concerned foodstuffs, cosmetics and safety in the use of products. In regard to foodstuffs, since 1976 the Council had adopted several directives, including a directive on the labelling of foodstuffs, and directives on the composition of foodstuffs and materials which come into contact with them. In 1976, the Council adopted a directive on the composition, labelling and packaging of cosmetics, listing 361 prohibited substances, and providing for the gradual establishment of positive lists. A directive on the marketing and use of certain dangerous substances was adopted in 1976, and several proposals were being prepared on household products, and on toys. The Commission also sent to the Council a proposal to set up an information system on accidents in the home.

In regard to this work the Commission had kept in close touch with the specialized committees like the Scientific Committee for Foodstuffs, the Scientific Committee for Feeding-stuffs, the Advisory Committee on Foodstuffs, the Scientific Committee on Cosmetics, and the Scientific Committee on Pesticides.

In the second general area, the protection of the consumer's legal and economic interests, the proposals for several directives had been sent forward which could have an appreciable effect on the protection of consumer interests. They were being discussed by the Council and concerned the following subjects: sales negotiations away from business premises, home study courses, misleading or unfair advertising and product liability.

#### Industrial aid

Mr Spinelli's report (Doc. 637/78), Mr Klepsch's questions to Commission and Council (Docs 62/79, 63/79) and Mr Pintat's question to the Commission (Doc 64/79)

To help EC firms compete, the Commission is proposing aid in the form of interest rebates or investment premiums. Aid given will not exceed 50% of the cost of eligible investment or 25,000 EUA (£16,860) per job created. The rebates will be for five years but will not exceed 40% of the rate of interest payable.

While approving the proposal, Altiero Spinelli asked the Commission to increase the rebate to two-thirds of the relevant interest rate in the case of investment in the least-favoured regions and by small and medium-sized undertakings.

Mr Hermann Schwörer, for the Christian Democrats, paid tribute to what Commissioner Davignon had done to help sectors in crisis. It was, he felt, particularly important for the EC to do what it could to help the smaller and medium-sized firms, because they were the real trigger for growth.

Jean-François Pintat, for the Liberals, asked the Commission to provide a 'balance sheet' of its activities in the iron and steel sector and to explain what it intends to do now.

In reply, Mr Bernard-Reymond said that the Council's approach was based on the Commission's memorandum. It included efforts to maintain a single market, to ensure monetary stability (eg. through EMS) and to promote full employment. But while pursuing these objectives, the Council recognized that results would take time to achieve.

For the Commission, Viscount Davignon said the purpose of the proposal was to provide aid in sectors where change or modernisation was hardest to effect. As for some of the amendments called for, Viscount Davignon had his doubts. It might be difficult enough to get the assent of the Council for the proposal as it stood at present. And what mattered was that funds should be available as soon as possible.

As for steel, prices were now moving upwards to the levels being quoted in the United States and Japan — it had been absurd to quote lower prices when production costs were actually higher.

And production levels in the first quarter this year had been within one per cent of the target figure. At the same time the bilateral agreement concluded with third countries was working. Exports had gone up by 21% and the EC was a net exporter of steel. In regard to some products the crisis was now over, he said.

Referring to Lorraine, he said the Commission's approval of the restructuring plan had been conditional on plans for alternative employment for

those affected. Europe was hope, he concluded (quoting a European elections slogan).

The motion was adopted with amendment.

# **QUESTION TIME**

## Questions to the Council

## Language teaching in schools (Sir Geoffrey de Freitas)

Council President Pierre Bernard-Reymond told Sir Geoffrey that the question of language teaching in schools was the responsibility of national education authorities. However, the Council accepted the Commission's efforts to ensure that all school children were taught at least one foreign language.

# Liner Traffic (Ib Stetter)

The Council was at present considering the Commission's proposals on ratification by Member States of the UN Treaty on liner traffic and expected to complete its work on the subject in the near future. He did not think that it should be necessary to consult Parliament on the outcome of the Council's deliberations.

# Traffic offences (Horst Seefeld)

Discrimination in dealing with traffic offences on the basis of nationality was illegal, Mr Bernard-Reymond said. However, penalties for driving offences would inevitably remain at the discretion of the national courts responsible.

#### Special Action (Maurice Dewulf)

In accordance with agreement reached on 2 May 1978, all the European states involved had transferred all or part of the first tranche of aid by 31 January 1979. As to the forthcoming Manila UNCTAD meeting, due to begin on 8 May, the Nine were now in the process of drawing up a common position.

#### Sexual mutilation of African women (Willy Dondelinger)

Mr Bernard-Reymond, while sharing Mr Dondelinger's concern at the treatment of women in Africa, said this was not strictly a matter on which the Council could take an initiative. He agreed with Mrs Squarcialupi that

the problem needed to be looked at in the wider framework of women's rights in the Third World. As to a human rights clause in the successor to the Lomé Convention, the Nine were not yet agreed among themselves as to the scope of such a provision.

# Oil shortage (Richie Ryan)

Ireland's shortage of petroleum products prompted Mr Ryan (Ir, CD) to ask what steps were being taken to get Member States to fulfil their commitment to help each other in such contingencies. In reply, Mr Bernard-Reymond suggested that the present shortage, involving mainly gas oil for heating, was probably temporary. This would explain why the Irish Government had made no appeal to the other Member States for help under the agreement of 7th December 1977.

He added that the emergency arrangements would only come into operation if the shortage were general.

Mr Ryan, Mr Nolan and Mr McDonald were somewhat taken aback by this reply. The normal life of the country was being affected. Surely this called for solidarity on the part of other Member States?

# Questions to the Foreign Ministers

## Europe Day – 5th May (Sir Geoffrey de Freitas)

The Foreign Ministers had not discussed the idea of celebrating the 5th May as Europe Day, this being the anniversary of the founding of the Council of Europe. It was consequently a matter for that body. But this did not mean that the individual foreign ministers would not promote suitable celebrations in their own countries.

Georges Spénale suggested 8th May, the date when peace was restored, and 9th May when Robert Schuman made the declaration which launched the Community were more appropriate dates.

#### Firms in South Africa

Mr Lagorce's report (Doc. 70/79)

Mr Fellermaier's question (Doc. 653/78).

On 20th September 1977 the Foreign Ministers of the Member States adopted a code of conduct for companies with subsidiaries, branches or representation in South Africa. This covers (1) relations within firms, (2) migrant labour, (3) pay, (4) wage structures and black African advancement, (5) fringe benefits, (6) desegregation at work and (7) implementation of the code.

Introducing his report on the code, Mr Lagorce described South Africa as a flashpoint of world politics. The Community's opposition to apartheid had led it to draw up the code of conduct for EC firms as a concrete measure to improve the position of non-white employees. However, the code was not compulsory, and non-observance would not be penalised. Moreover, it was no easy matter to assess just how far the code was being observed, and what effect in social terms it was having.

Introducing Mr Fellermaier's question Mr Patijn (Du, S) pointed out that the code was the only weapon the Community had against apartheid. Why then was it not compulsory? Enforcement was vital if the code was to be seen as a credible policy instrument. What about economic sanctions, or even a boycott? Sanctions, at any rate, were necessary, and an economic boycott might be necessary eventually.

Council President Bernard-Reymond pointed out that not all the firms concerned had yet submitted their reports on operation of the code, and it was therefore difficult to give any assessment at this time.

For the Commission, Mr Cheysson said the Community would continue to give political and economic support to countries like Lesotho or Botswana, which were heavily dependent on South Africa. And the Community had not been slow to condemn apartheid in numerous declarations and statements. This was in addition to the code of conduct for EC firms, which sought to add a practical dimension to the Community's efforts to eliminate apartheid.

For the Christian Democrats, Mr Vergeer (Du, CD) said all responsible means should be used to combat the vicious policy of apartheid: one of these means was the code of conduct.

Liberal spokesman Mr Jung (Ge, L) said black Africa expected deeds and not just words on apartheid. The code of conduct was one action that met these expectations. Sanctions or an economic boycott were not appropriate.

Lord Reay, for the Conservatives, reminded the House that South Africa had never been a colony: Europe's role there was therefore limited. But if influence was to be brought to bear, it would be more effective if contracts were maintained than if they were cut off. A weakness of the code of conduct was the fact that firms were subject to national rather than Community control.

Communist spokesman Mr Renato Sandri (It, CA) said his group would support the Lagorce motion. He suggested that apartheid was an incentive for many Western firms to set up in South Africa because of the low-cost labour situation it created: hence the need for the code of conduct to be made mandatory.

The motion was adopted with amendment.

# Mid-East Agreement

Mr Blumenfeld's motion (Doc. 82/79)

Acting for the European Parliament's political committee, Erik Blumenfeld (Ge, CD) put down a motion urging Council and Commission to do all in their power to step up links with Egypt and Israel, particularly through industrial cooperation. The motion welcomed the peace treaty ending thirty years of hostility between Egypt and Israel and congratulated President Carter on his perseverance and dedication and President Sadat and Prime Minister Begin 'on their courageous efforts in laying the foundations of a just and lasting peace in this area.'

Endorsing the motion on behalf of the Socialist Group, Schelto Patijn (Du) felt that much had been achieved between the boycott of 1973 and the peace treaty which had now come into force. Even so, the Community had still to develop a common policy vis-à-vis the Middle East. It had to do this: if only to discharge an obligation to the people living in that area.

For what had to come now was real peace.

Christian Democrat spokesman Willem Vergeer (Du) agreed. The war in the Middle East was over. Europe now had to help the peace to begin.

Cornelis Berkhouwer (Du), for the Liberals, said it was thanks to the courage of President Sadat and the decision of Prime Minister Begin that the treaty had been possible.

Europe had been the real absentee. But, he asked, could the other rich countries of the world do nothing to promote stability in this unsettled region.

Referring to the Palestinians, he agreed they had a right to a place of their own but his group could not accept the unspeakable terrorist means being used to achieve this end.

Lord Bethell, for the European Conservatives, felt the reaction against the treaty had been underestimated. Should Europeans support this initiative? His group felt the full political and economic influence of the Community should be put behind the agreement.

The links with Egypt, he felt, should be as strong as those with Israel.

He hoped President Jenkins, in his forthcoming visit to Egypt, would bear in mind what the Community would do to step up trade with both countries.

He was hopeful that Palestinians and Israelis were moving closer towards an understanding, for this was a prerequisite for lasting peace.

For the Commission, Claude Cheysson trusted the agreement would be a first step towards a wider peace in the Middle East.

But until peace was secured the Community's capacity to intervene was limited.

The motion was adopted.

# THURSDAY 26th April 1979

#### **UNCTAD**

(to be held in Manila in May)

Mr Deschamps's motion (Doc. 123/79) and question to the Commission (Doc. 65/79)

Opening a debate on the forthcoming United Nations Conference on Trade and Development this morning, Pierre Deschamps (Be, CD) began by asking the Commission what preparations it had made for the conference.

It was, he argued - in a motion tabled for Parliament's development committee - essential for the European Community countries to play their part in helping bring about 'a more equitable and humane world economic order.'

He hoped they would contribute towards setting up a common fund for a commodities programme and they would write off 'a substantial part of the public debt of the poorest developing countries.' And he called on the Member States to make a net contribution to development aid equal to 0.7% of their gross national product.

Mr Deschamps said his committee appreciated the economic difficulties being experienced by Member States but appealed to them to be openminded, to eschew protectionism and bear in mind the effect that introducing escape clauses could have on the developing countries.

In reply, Viscount Davignon said preparations for the Conference were going fairly well. The Commission had given the Council a paper on the Conference in February and this had been approved in March. Working parties had been set up to look into the various points on the Manila agenda. It now remained for the Council to agree the approach to be adopted.

The motion was adopted.

# **Defective products**

Mr Calewaert's second report (Doc. 71/79) (the first report - Doc. 246/78 - was referred back to committee)

On 15th October 1976, the Commission submitted a proposal for harmonising laws on liability for defective products.

In the report he presented this morning, Mr Willy Calewaert (Be, S) (rapporteur for the legal committee) said the directive was essential to the Treaty's objectives on competition, the free movement of goods and the protection of the consumer.

But his committee disagreed with the Commission as to the text proposed for achieving them.

Speaking for the Socialist group, Mr Jan Broeksz (Du) called for endorsement of the report, which had been some two-and-a-half years in the making.

For the Christian Democrats, Mr Roland Riz (It) said that Commissioner Davignon's acceptance of Parliament's amendments to the proposal was an illustration of the EP's power to influence legislation. He now hoped the Commission would exert a maximum of pressure on the Council to ensure that the latter adopted the proposal as it now stood.

Mr Paul Granet (Fr), on behalf of the Liberals, raised the question of taking Article 100 (functioning of the common market) as the legal basis for the proposal; this was, in his view, correct, and his group would vote against the Conservative amendment on the subject.

Mr Scott-Hopkins (UK), for the Conservatives, insisted that the directive did not meet the requirements of Article 100. His group had tabled amendments making this point, he regretted that there was no estimate of the cost of the effects of the directive to industry, and, particularly, the consumer. He regretted the fact, moreover, that the liability ceiling was the same for all products. This would involve massive over-insurance by manufacturers, the cost of which would inevitably be passed on to the consumer

Mr Aldo Masullo (It), for the Communists, said he felt the discussion on the legal basis, while legally fundamental, did not change the importance of the directive to the consumer. But he too was concerned that manufacturers' efforts to protect themselves would result in higher prices. His group would abstain in the vote.

EPD spokesman Mr Hector Rivierez (Fr) also referred to the legal implications of Article 100, which, he thought, did raise a number of problems. On balance, however, the proposal was sound, and his group would support it.

Replying for the Commission, Mr Davignon stressed that this directive was certainly not harmonization for harmonization's sake. Over the last three years it had been changed and changed again to take account of the real needs of producers, consumers and Member States. He could not understand the objections raised to Article 100, whose sole purpose was to enable approximations of legislation of the kind being proposed here.

The motion was adopted.

#### **Pharmaceuticals**

Mr De Keersmaeker's report (Doc 664/78)

The concentration of supply in certain categories of pharmaceutical products may lead to infringement of the rules of competition, Parliament's economic and monetary committee believes. Rapporteur, Paul De Keersmaeker (Be, CD) introduced his report which called for vigilance, particularly as regards price differences between certain products.

Lord Ardwick (UK, S) said the report again showed the need for Commission action on concentration in all fields of industry. There seemed to be a clear relationship between concentration and prices and this needed investigation.

Mr von Bismarck (Ge, CD) warned against a 'witchhunt against profits': without substantial profits pharmaceutical firms would be reluctant to invest as much in research and scientists would be tempted to leave in a new brain drain.

Viscount Davignon replied for the Commission.

The motion was adopted.

# **QUESTION TIME**

# Question to the Commission

# Traffic offences (Horst Seefeld)

Mr Burke sympathised with Mr Seefeld's (Ge, S) argument that fines for traffic offences should be the same throughout the EC. The Commission had made proposals on these lines in 1972. But the Council view was that the mutual recognition of driving licenses and the introduction of a European driving licence should come first. And on these two matters, there was no progress at all. It was, of course 'a crying shame' he added.

#### Multifibre agreement (Lord St. Oswald)

Mr Haferkamp told Lord St. Oswald (UK, EC) that some twenty-five bilateral agreements on textiles had come into force on 1st January 1979 and that the Commission was satisfied that they were working properly. Asked how the Commission would react to the eventuality of China beginning to sell textiles to Europe following the sales of textiles machinery to her, Mr Haferkamp said trade was a two-way street. But the Commission was negotiating a textile deal with China.

#### Sexual mutilation (Willy Dondelinger)

Viscount Davignon said the Commission shared Parliament's concern at the sexual mutilation of thirty million African women. Human rights, and particularly the rights of women, were among the points being discussed in negotiations for the renewal of the Lomé Convention. He could not tell Mr Scott-Hopkins (UK, EC), who was very concerned about a telegram sent by Commissioner Cheysson to Mr Nkomo congratulating him on his activities - and which, he said, had done 'great damage' - whether there would finally be any reference to human rights in the new convention.

# Irish staff in EC (Charles McDonald)

Mr Tugendhat told the House that the Commission advertised staff posts, for which Irish nationals were eligible to apply, in four Irish newspapers: the Irish Independent, the Irish Press, the Irish Times and the Cork Examiner as well as in specialist journals and through the Commission's Dublin Office. But the Commission was at a loss to understand why more applicants had not come forward: the effect was that Ireland was under-represented, in common with Denmark, the Netherlands and the United Kingdom. The aim was to secure a balance but the Commission could no more discriminate positively than it could negatively, he said.

## Helping Naples (Vincenzo Bettiza)

While welcoming Mr Vredeling's statement that the Commission was backing a plan to help greater Naples using EC funds in a coordinated way, Lord Bruce (regional committee chairman) asked him if he was aware that even if 1.500m EUA (£975m), the total sum spent on storing surplus EC farm produce, were made available to help Naples it would still not be enough. Mr Vredeling agreed but felt Lord Bruce should make the point to the Council.

# Staff pensions (Mrs Gwyneth Dunwoody)

Mr Tugendhat said that pensions payable to all former staff members were now equal, a recent Council decision ending what had been a quite unjustifiable discrimination in this matter. The decision would not take effect until August 1980 and would not operate retroactively.

## **Human Rights**

Mr Scelba's report (Doc. 80/79)

Mario Scelba (It, CD) tabled a motion on behalf of Parliament's political committee this afternoon calling on EC institutions 'to make immediate preparations for the accession of the European Community to the European Convention on Human Rights, to enshrine the citizen's right of petition in the Community Treaties, and to guarantee in the Treaties the individual's right of direct appeal to the Court of Justice of the European Community.'

Speaking for the rapporteur, Mr Erik Blumenfeld (Ge, CD) stressed that an accession to the convention would not prejudice the position of the European Court of Justice: its relation to the Strasbourg human rights court would be analogous with its relations to Member States' supreme courts.

Viscount Davignon, welcoming the motion, discussed the issue involved in some detail.

The motion was adopted.

# **Expulsion of von Hassel**

Mr Johnston's report (Doc. 584/78)

Mr Russel Johnston (UK, L) for the political committee, put down a motion protesting against the expulsion from Malta last year of German CDU chairman Mr Kai-Uwe von Hassel. Mr von Hassel had spoken critically of Mr Dom Mintoff's government in a speech he made in Berlin.

Speaking for the Socialist Group, Lord Ardwick (UK) argued that Mr von Hassel's remarks had been 'provocative' as was the motion before the House. His group had therefore tabled amendments to the motion.

Mr Heinrich Aigner (Ge, CD), on the other hand, said it was free speech that was at issue. As for provocation, he suggested that comments about the Christian Democrats which Mr John Prescott (UK, S) was reported to have made in Malta were quite exceptionable.

Mr James Scott-Hopkins (UK, EC) took a similar view. A politician had been expelled from Malta and this was not democracy.

As far as he had been able to ascertain, Mr von Hassel's comments - for which he had been expelled - that Malta's links with Libya had a restrictive effect on its economy, were quite true.

And he went on to take issue with Malta's higher educational system, with its attitudes to religion, with its rules for journalists and so on.

He appealed to the Socialists to withdraw their amendments.

Mr Michele Pistillo (It), Communist spokesman, felt the motion was ill-founded. Mr von Hassel had made a number of substantial political points which amounted to interference in the internal affairs of a sovereign state. Mr Scott-Hopkins had failed to take this into account during his remarks.

The House was equally divided and the motion was therefore rejected.

# **Domestic accidents**

Mrs Cassanmagnago Cerretti's report (Doc. 40/79)

The Commission wants to collect data on EC product related accidents so as to be able, where appropriate, to put proposals before the Council. There are, apparently, an alarming number of accidents in which EC

appliances, equipment or products of one sort or another are involved. (In the UK it is estimated that over 5,000 people die every year as a result of accidents in the home.) The cost of the survey would be 414m EUA (£369m) over three years.

Speakers in the brief debate welcomed Mrs Cassanmagnago Cerretti's report, which called for approval of the Commission's proposals.

The motion was adopted.

#### Food aid

Mr Broeksz's report (Doc. 121/79)

The Commission has submitted proposals for the allocation and management of Community food aid to the third world in 1979.

Reporting for the development committee, Mr Jan Broeksz (Du, S) welcomed the Commission's plans for distributing the available aid, but was critical of the Council for not increasing the quantities involved, particularly of cereals. He asked the House to support the Commission's proposal to increase the present 720,500 to to 1,135,000 t, the necessary funds to be made available through a supplementary budget.

However, Mr Broeksz was critical of the Commission for proposing the supply of only 150,000 t of skimmed milk powder. This should be increased to 200,000 t.

On food aid policy in general, Mr Broeksz stressed the need for long-term planning.

Viscount Davignon, in reply, agreed on this point, but was doubtful about the possibility of increasing quantities of aid in 1979.

The motion was adopted.

## Organ banks

Mrs Krouwel-Vlam's report (Doc.24/79)

There are more demands for organ transplants in the Community than can be satisfied.

Mr Hans-Edgar Jahn (Ge, CD) introduced Mrs Krouwel-Vlam's report, which calls for measures to simplify legislation or organ transplants, including general adoption of the 'no objection' formula rather than the 'consent' formula. Under the former, organs can be taken from deceased persons for transplant provided no explicit objection has been registered. This obviates the need to secure formal consent for organ removal.

The motion was adopted.

# FRIDAY 28th April 1979

# **EC-Japan relations**

Mr Baas's report (Doc. 666/78)

In July 1978 President Emilio Colombo visited Japan and discussions were held between delegations from the EP and the Japanese Diet in July and October of that year.

Introducing his report for the external economic committee, Mr Jan Baas (Du, L) referred to economic and commercial relations between Japan and the EC and emphasised the need to improve them.

The motion was agreed.

#### **Technical barriers**

Mr Nyborg's report (Doc.53/79)

The Commission has submitted proposals for the approximation of legislation relating to cranes, tractors, lawn-mowers, simple pressure vessels and measuring instruments.

Kai Nyborg (Da, EPD), for the economic and monetary committee, asked Parliament to approve the proposals subject to certain reservations. He felt the present procedures for eliminating technical barriers to trade were too unwieldy and pressed the Commission to simplify them.

The motion was agreed.

## Drive-it-yourself

Mr Jung's report (Doc. 50/79)

The Commission is proposing a directive covering vehicles owned and operated by firms for the carriage of their own goods. Such transport arrangements are not subject to EC quota or transport authorization schemes.

Mr Kurt Jung's motion, for the regional and transport committee, called on the House to approve this proposal.

Mr Kai Nyborg (Da, EPD) put in a plea for a total liberalisation of carriage of goods by road.

The House approved the motion.

#### Pensions in France

Mr Luster's report (Doc. 674/78)

Recipients of French pensions who are resident in Luxembourg have been adversely affected by variations in exchange rates between France and Luxembourg. Accordingly they have petitioned the European Parliament

to help them. Rudolf Luster (Ge, CD), for the petitions committee, drew attention to the practice in Belgium whereby pension recipients adversely affected in this way receive a compensatory amount. Consideration could also be given, he felt, to using the resources of the Social Fund for this purpose. But the real answer, he suggested, was monetary stability.

The House approved the motion.

# Simpler regulations

Mr Luster's report (Doc. 673/78)

Mr Antonio Grassani, Director of the National Centre for Customs Studies in Genoa, submitted a petition to the European Parliament last year in a bid to enlist support for simpler European Community regulations. Many of them have been amended without new texts, containing the amendments, being published. Which makes life difficult for those who have to implement the regulations, particularly as regards customs.

Mr Luster, rapporteur for the legal committee, considered Mr Grassani has a valid point and tabled a motion calling on the Commission to take it into account.

For the Commission, Mr Tugendhat agreed simpler regulations were desirable and a start had already been made here.

The House approved the motion.

#### **Fisheries**

Mr Lemp's report (Doc. 35/79)

Pending a long-term agreement on fisheries with Canada, the Commission is proposing the conclusion of interim arrangements. Mr Hans Lemp (Ge, S), for the agriculture committee, tabled a motion approving the proposal. The House approved the motion.

# Forestry policy

Mr Albertini's report (Doc. 92/79)

The Commission is submitting a note on 'forestry policy' in which it made the following points:

- (a) The EC foreign trade deficit in wood is second only to its deficit in oil and amounts to 8,000m EUA (£5,200m) a year. Between now and the end of the century requirements are expected to rise by 2% annually and production by only about 1%.
- (b) Forests cover 20% of the land area of the Community.

The Commission intends to propose the development of a common forestry policy but only in the sense of having some clearly defined objectives of national forestry policy common to all Member States.

Mr Francesco Albertini (It, S), rapporteur for the agriculture committee, welcomed the Commission's note. He tabled a motion calling on the Commission to go on to prepare a genuine Community policy for forestry.

Mrs Vera Squarcialupi (It, CA) tabled several amendments for the environment committee. Mr Albertini said he would accept them but both Mr James Scott-Hopkins (UK, EC) and Lord Bruce (UK, S) suggested it would be better for these amendments to be studied in committee. It might also give Members a chance, said Lord Bruce, to look into the implications of the large-scale felling of forests in South America.

The House voted to refer the report back to committee.

#### Better leeks

Mr Liogier's report (Doc. 72/79)

Further to the Council regulation No 1035/72, quality standards have been introduced for some thirty fruits and vegetables. Given the substantial intra-Community trade in leeks, the Commission is proposing standard be brought in for them too. This simply involves adding the one word 'leeks' to annex I of the regulation in question.

Mr Albert Liogier (Fr, EPD) moved the proposal be approved and asked that products like walnuts, hazelnuts and chestnuts be included in the list.

The House approved the motion.

# Fishing ban

Mr Corrie's motion (Doc. 122/79)

On 10th April Norway put a ban on EC vessels fishing the North Cape Bank grounds where they normally get about half their catches of cod, haddock and saithe. Twenty-three vessels were affected, most of them British and all have sustained financial loss because the North Cape Bank is the only really profitable area to trawl at this time of year.

Mr John Corrie (UK, EC) tabled the motion expressing alarm and astonishment at the Norwegian Government's action.

In reply, Commissioner Tugendhat said EC officials had begun talks with the Norwegian authorities in Oslo yesterday with a view to ascertaining the scientific reasons for the action taken and the future intentions of the Norwegian authorities.

The House agreed to the motion after amendment.

## Aid for Uganda

CD motion (Doc. 108/79/rev.)

Mr Jean-Marie Caro (Fr) introduced the Christian Democrats' emergency motion calling for prompt humanitarian aid to Uganda.

For the Commission, Mr Tugendhat said there would be prompt help, including the immediate airlifting of skimmed milk powder and butteroil already available in Mombassa.

The House agreed to the motion.

#### Accidents at work

Mrs Squarcialupi's emergency motion (Doc. 117/79)

Following the death of eight workers (seven of them Italians) at the Velbert rolling-mill in West Germany, ten Italian Socialist and Communist EMPs put down a motion calling for urgent application of the EC action programme on healthy and safety at work.

Mr Tugendhat agreed that it was tragic that, despite all efforts to improve safety, such accidents still occurred. He hoped the action programme would go some way towards preventing recurrences.

The House approved the motion.

# Earthquake

Mr Adam's motion (Doc. 120/79)

In response to a Socialist Group motion calling on the Commission to help victims of the recent earthquake disaster in Montenegro, Mr Tugendhat said 300,000 EUA (£195,000) was being made available under article 950 of the budget. The money would go mainly to provide medical facilities.

The motion also called for a rapid conclusion of a new trade agreement with Yugoslavia (the present one remaining in force by tacit agreement).

The House agreed to the motion.

#### Swine fever

Mr Albertini's report (Doc. 73/79)

Mr Ney's reports (Doc. 32/79, 33/79, 34/79)

The Commission is proposing to help combat swine fever in Malta and Spain and foot-and-mouth disease in South-East Europe. Motions were tabled approving these proposals but a further proposal, concerning classical swine fever, attracted an amendment from Mr Ryan asking that the United Kingdom, Denmark and Ireland continue to be exempt from the present arrangements until such time as it can be established that they are working satisfactorily.

The House agreed to the motions.

#### **POSTSCRIPT**

# Resolutions adopted in April

Parliament gave its unqualified approval to eleven Commission proposals regarding:

Youth policy in the Community (Doc. 91/79)

Decision empowering the Commission to contract loans for promoting investment (Doc. 45/79)

Dangerous substances and preparations (Doc. 16/79)

Algerian wines (Doc. 41/79)

Dangerous substances and preparations (Doc. 49/79)

Community system of information on accidents (Doc. 40/79)

Own-account carriage of goods by road (Doc. 50/79)

Fishing agreement between Canada and the EC (Doc. 35/79)

Fruit and vegetables (Doc. 72/79)

Swine fever in Spain (Doc. 34/79)

Prevention of classical swine fever (Doc. 33/79)

Parliament gave its qualified approval to four Commission proposals:

Food aid regulations for 1979 by Mr Broeksz (Doc.121/79)

The EP generally supported the Commission's proposals, but called for the supply of 200,000 t of milk powder instead of only 150,000 t. It also requested the Commission to improve checks on the use of financial resources for food aid. It reaffirmed the non-compulsory nature of food aid expenditure and called upon the Commission to reconsider its position on this classification.

It asked for the conciliation procedure to be opened with the Council by 30.4.79.

Equipment and measurements by Mr Nyborg (Doc. 53/79)

The EP called once again for the long-promised general proposal for the elimination of technical barriers to trade and for a document on the underlying general principles and objectives. It also asked the Commission to produce a programme once a year showing the proposals in this area which it intends putting forward during the following 12 months, and to adopt itself the directive on measuring instruments (Doc. 617/78).

Swine fever in Malta by Mr Albertini (Doc. 73/79)

Subject to the approval of a programme established by the responsible Maltese authorities, the EP approved the proposal, provided that the Commission is given the means for monitoring the utilization of the funds.

Foot-and-mouth disease in South-East Europe by Mr Ney (Doc. 32/79)

The EP approved the proposal on condition that the use of the funds is more strictly supervised and that the Commission reports on the progress of the health situation in the infected areas and on the protection afforded by the buffer zone.

Parliament called for amendments to five Commission proposals: Interest rebates for loans with a structural objective by Mr Notenboom (Doc. 84/79)

The EP once again requested the Commission to ensure that the Community's general financial policy is consistent and coordinated and to submit to Parliament a report on the subject; it proposed a number of amendments to the effect that interest rebates should be considered non-compulsory expenditure and fixed annually in the budget, that financial compensation of Member States outside the EMS should be reconsidered each year as part of the budgetary procedure, and that Parliament must be consulted on the Member States which are to receive these rebates (conciliation requested).

Regulation amending the Staff Regulations of Officials of the Communities and establishing an Administrative Tribunal by Mr Cointat (Doc 37/79)

The EP proposed a number of amendments aimed at ensuring the independence of the Tribunal and the unlimited right of appeal to the Court of Justice; it insisted on being consulted on the rules of procedure for the Tribunal, before a decision is taken by the Council (conciliation requested)

Coal and coke for the iron and steel industry by Mr Ibrügger (Doc. 69/79)

The EP approved the principle of making long-term contracts a precondition for the granting of aids, but asked the Commission to consider giving special authorizations in exceptional cases for aids to short-and medium-term supplies; it called for the budgetization of the resources for financing schemes in the coal sector and proposed amendments aimed at maintaining its budgetary powers (Art. 11) and restricting its approval to a period of 2 years rather than 3 as proposed by the Commission (Art. 14)

Community aid for industrial restructuring and conversion operations by Mr Spinelli (Doc. 637/78)

The EP considered it useful to provide a permanent legal basis at Community level for the restructuring measures but proposed that it be consulted on the decisions to grant aid (Art. 1), that interest rebates be calculated as a percentage of the rates at which the loan has been granted (Art. 3), and that the Advisory Committee should not have power to transfer responsibility from the Commission to

the Council (Art.8). It called for an annual report on the implementation of the regulation, urged the Commission to give the trade unions an active role in the allocation of the stipulated aid, and called on it to give an initial indication of the effects of the action taken so far

Liability for defective products by Mr Calewaert (Doc. 71/79)

The EP proposed a number of amendments, in particular

- producer liability in respect of a movable object, even if it is installed in a building (Art. 1),
- exclusion of liability in the case of development risks and where the producer proves that he had taken every precaution to avoid damage (Arts. 1 - 1a),
- exclusion of liability for defects in agricultural, craft or artistic products which are not manufactured industrially (Art. 2),
- clarifications to Arts. 3 and 4,
- express provision for the defence of contributory negligence (Art. 5),
- award of damages also for pain and suffering (Art. 6),
- greater flexibility in the fixing of limits on liability (Art. 7),
- extinction of liability ten years after the product was put into circulation (Art. 9).

Parliament also adopted nineteen other resolutions, including one under the budgetary procedure:

Second European Social Budget (1976 - 1980) by Mr Wawrzik (Doc. 25/79)

- the EP urged that the social budget should
  deal with all social benefits and all aspects of social security
- be drawn up for a three-year period, with an annual updating of forecasts
- include a concise summary of its contents
- provide data demonstrating the unequal treatment of men and women.

Administrative expenditure of the European Parliament for 1980 by Mr Cointat (Doc. 102/79)

The EP noted the utilization and cancellations in respect of the appropriations, and postponed its decision on discharge until the Court of Auditors has examined the expenditure.

Community participation in space research by Mr Ripamonti (Doc. 2/79)

The EP urged that the Community draw up a space policy setting out long-term objectives; it called on the Commission to establish

relations with the ESA and to assist the Agency in drawing up a comprehensive programme to meet the likely requirements of the Member States for the next ten years.

Inspection of fissile materials in the EAEC by Mr Mitchell (Doc. 3/79)

The EP declared itself totally opposed to the proliferation of nuclear weapons, but believed that, by adopting appropriate guarantees, it was possible to supply nuclear technology and materials to non-nuclear weapon states.

Accident at Harrisburg by Mrs Walz and Mr Flämig (Doc. 81/79)

The EP called on the Commission immediately to draw up a report on the causes and consequences of the accident, and to present this report at the next part-session.

Code of Conduct for Community companies with subsidiaries in South Africa by Mr Lagorce (Doc. 70/79)

The EP considered that the Code of Conduct must be a decisive factor in the establishment of an overall strategy to combat apartheid; it considered it illogical, however, that the responsibility for ensuring the observance of this Community Code rests with the Member States and called on the Nine to agree on a common formula for its application. It rejected the idea of a general economic boycott against South Africa at the present time, but called for an examination of measures to compel Community companies to observe the rules of the Code of Conduct.

Peace Treaty between Egypt and Israel by Mr Blumenfeld (Doc. 82/79)

The EP welcomed the signature of the Peace Treaty and called for an intensification of the existing links between the Community, Egypyt and Israel; it requested the Commission to put forward proposals to increase industrial cooperation.

Preparations for the Fifth UN Conference on Trade and Development by Mr Deschamps (Doc. 123/79)

The EP appealed to all the Member States to write off a substantial part of the public debt of the poorest developing countries and to attain in the short term a net contribution to development aid representing 0.7% of GNP. Safeguard clauses in the event of serious disturbances of the market should be applied only on a temporary and non-discriminatory basis.

Pharmaceutical preparations by Mr De Keersmaeker (Doc. 664/78)

The EP noted that, given the substantial concentration of supply in the pharmaceutical industry, the possibility of the rules of competition being infringed could not be ruled out; it called on the Commission to consider ways of detecting distortion of competition and to investigate whether the various national price control systems for these products are compatible with the Treaty; the findings should be submitted to Parliament. Furthermore, it requested the Commission to submit a proposal on how consultations with national price bodies might be arranged, a proposal on licences for the marketing of pharmaceutical products in order to implement free trade, and an amended proposal on advertising and information in this industry.

#### European Convention on Human Rights by Mr Scelba (Doc. 80/79)

The EP called on the Council and Commission, in close cooperation with Parliament, to make immediate preparations for the accession of the Community to the Convention and to guarantee in the Treaties the citizen's right of petition and right of direct appeal to the Court of Justice.

#### Organ banks by Mrs Krouwel-Vlam (Doc. 24/79)

The EP called on the Commission to submit an optional draft directive on transplant systems and the requisite additional implementation procedures, and to draw up a recommendation linking up existing organ banks with those still to be set up; it strongly advocated the adoption of the 'no objection' formula for organ donations.

Visit by European Parliament delegation to Japan in 1978 by Mr Baas (Doc. 666/78)

The EP welcomed the economic measures taken so far by Japan to reduce its overall trading surplus, but noted that they had not significantly improved the EC's opportunities of exporting to Japan; it asked the Commission to study the possibility of EC-Japan cooperation on aid to the third world and strongly recommended the implementation of a two-way programme of visits by Japanese and Europeans similar to the EC Visitors Programme for North and South Americans.

# Exchange losses by Mr Luster (Doc.674/78)

The EP requested the Commission to recommend the Luxembourg Government to adopt measures providing for the payment of a comensatory amount to recipients of French pensions residents in Luxembourg; it urged that consideration also be given to using the resources of the Social Fund to resolve the problem.

#### Simpler Community regulations by Mr Luster (Doc. 673/78)

The EP recommended that the Commission should take account of the requirement for simpler Community legislation. EC-Norwegian fishing relations by Mr Corrie (Doc. 122/79)

The EP expressed alarm and astonishment that the Norwegian Government should break the agreement providing for fishing quotas for Community fishermen in Norwegian waters and called upon the Commission and Council to ensure that agreements entered into be fully implemented by all parties.

Aid for Uganda by Mr Klepsch and others (Christian Democrat Group) (Doc. 108/79/rev.)

The EP called upon the Commission, Council and the Member States to provide the population of Uganda with urgent humanitarian aid and to coordinate their actions with that of the International Red Cross, the UN High Commissioner for Refugees and the neighbouring countries most concerned.

Accidents at work by Mrs Squarcialupi and others (Doc. 117/79)

The EP called for urgent application of the action programme on health and safety at work, already approved by the Council, which lists as one of its priorities improved protection of migrant workers.

Aid to the Yugoslav earthquake victims by Mr Adams (Doc. 120/79)

The EP called on the Commission to give urgent consideration to opening Article 950 of the 1979 budget to aid the victims of this earthquage, and to speed up the current trade negotiations with Yugoslavia.

# Budgetary procedure

Amending and supplementary budget No 1 for 1979 by Mr Bangemann (Doc. 119/79)

The EP declared the budget to be finally adopted. It regarded as non-compulsory expenditure the appropriations earmarked for the financing of interest subsidies connected with the EMS and of measures for the payment of compensation to the UK, and considered that references in legislative acts could not prejudice the budgetary authority's decision on expenditure and its classification.

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