INTERIM REPORT

drawn up on behalf of the Political Affairs Committee

on political developments in Central and Eastern Europe including the Soviet Union, and the European Community's role

Rapporteur: Mr Jean PENDERS
At its meeting of 7 November 1989 the Political Affairs Committee decided to draw up a report on political developments in Central and Eastern Europe including the Soviet Union, and the European Community's role and requested authorization from the enlarged Bureau by letter of 9 November 1989. On 7 November 1989 Mr Jean Penders was appointed rapporteur.

On 22 November 1989 it received authorization to draw up a report.

On 2 April 1990 the motion for a resolution tabled by Mr Klepsch and Mr Habsburg on behalf of the Group of the European People's Party and by Mr Prout on behalf of the European Democratic Group on a European Democracy Fund (Doc. B 3-259/90) was referred to the Political Affairs Committee according to Rule 63 as the committee responsible, and to the Committee on Budgets for opinion.

At its meeting of 21 May 1990 the Political Affairs Committee decided to incorporate this motion for a resolution in the interim report.

At its meetings of 20 December 1989, 21 March 1990, 26 April 1990 and 21 May 1990 the committee considered the draft interim report; the motion for a resolution was adopted by 31 votes in favour, 3 against and 3 abstentions at its meeting of 28 June 1990.

The following took part in the vote: Goria, Chairman; Crampton, Defraigne, van den Brink (Vice-Chairmen); Penders (rapporteur); Baget Bozzo, Balfe, Bertens (for Gawronski), Bofill Abellhe (for Moran Lopez), Boulanges (for Michelini), Cassamagnago Cerretti, Cheysson, Ib Christensen, Coates, Dillen, Habsburg, Jepsen, Klepsch, Lalor, Langer, Lenz, Lomas (for Cariglia), Luster (for Tindemans), Newens (for Ford), Newton Dunn, Oostlander (for Ferrer), Perschau (for Pirkl), Pesmazoglou, Planas, Poettering, Pons Grau (for Verde I Aldea), van Putten (for Dury), Reding, Romeos, Saby (for Trautmann), Sakellariou, Suarez Gonzalez (for Robles Piquer) and White.

The Committee on Budgets decided not to give an opinion.

The interim report was tabled on 29 June 1990.

The explanatory statement will be presented orally in plenary.

The deadline for tabling amendments to this interim report will appear in the draft agenda for the part-session at which it is to be considered.
The Political Affairs Committee hereby submits to the European Parliament the following motion for a resolution:

**MOTION FOR A RESOLUTION**

on

political developments in Central and Eastern Europe including the Soviet Union and the European Community's role

The European Parliament,

- having regard to the joint declaration on the assumption of official relations signed by the European Community and the Council for Mutual Economic Assistance in June 1988,

- having regard to the trade and cooperation agreements concluded between the European Community and particular states of Central and Eastern Europe, and to the European Parliament's endorsement of these agreements,

- referring to the following resolutions adopted by the European Parliament:
  
  . on relations between the European Community and the Council for Mutual Economic Assistance (CMEA) and the East European Member States of the CMEA of 22 January 1987 (OJ No. C 46, 23.02.1987, p. 71),
  
  . on political relations between the European Community and the Soviet Union (OJ No. C 262, 10.10.1988, p. 133),
  
  . on the security of Western Europe (OJ No. C 96, 17.4.1989, p. 30),
  
  . on the political aspects of the situation in Poland (Doc. A 3-22/90/Corr., adopted on 15 February 1990),
  
  . on economic and trade relations between the European Community and Poland (Doc. A 3-0001/90; adopted on 15 February 1990),
  
  . on COCOM (minutes of 5.4.1990, p. 59, PE 139. 833),

- referring to the Joint Declaration on East-West relations by the Heads of State and Government represented at the Paris economic summit in July 1989,

- referring to the conclusions of the Conference of Heads of State and Government of the Twelve of 18 November 1989 in Paris, and the European Council of 8 and 9 December 1989 in Strasbourg,

- having regard to the conclusions of the special meeting of the European Council of 28 April 1990 in Dublin,
- having regard to the resolution by Mr Klepsch and Mr Habsburg on behalf of
the Group of the European People's Party and by Mr Prout on behalf of the
European Democratic Group on a European Democracy Fund (Doc. B 3-259/90),

- having regard to the interim report of the Political Affairs Committee
(A 3-172/90),

Takes the view:

(a) that the countries of Central and Eastern Europe, with the exception of
Albania, are in the course of democratizing their political, economic and
social systems in accordance with the principles of western parliamentary
democracy;

(b) that a democratic society must rely on full adherence to basic civic and
human rights as much as on political pluralism, the holding of free
elections by secret ballot and fundamental social rights;

(c) that the European Community is a successful model of a peaceful and
forward-looking integration of states;

(d) that pluralism must also be promoted by the activities of the churches,
trade unions, undertakings, associations, etc.;

(e) that the rights of ethnic and religious minorities must be safeguarded
and that the international community must be alert to the destabilizing
effect of emergent nationalism;

(f) that the re-emergence of nationalist tendencies may have a destabilizing
effect on the international community;

(g) that the agreed principles laid down in the CSCE Final Act on relations
between the signatory states, in particular the principles of the
renunciation of the use of force, the commitment to peaceful settlement
of conflicts, territorial integrity, inviolability of borders, and non-
intervention in internal affairs continue to hold untrammeled validity;

(h) that the developments in Central and Eastern Europe and the prospect of
unification of the two Germanies creates a new security policy situation
in Europe;

(i) that the CSCE provides an appropriate framework within which to take
action on the security of all European states;

(j) that close relations between the United States and Europe will continue
to be of major importance;

(k) that it agrees with the comments made by the Heads of State and
Government of the Community who stressed, at the recent summit in
Dublin, that the process of unification of the two Germanies is to be
welcomed, since it is a desirable prelude to the unification of the whole
of Europe;
that the economic system prevailing hitherto in Central and Eastern Europe has had unfavourable effects and there is a need to devise economic reforms to remedy the poverty of these economies by respecting and exploiting to the full their human and material resources, so as to achieve autonomous development, whilst making allowance for the social and environmental limitations;

that the success of the process of democratization in Central and Eastern Europe and in the Soviet Union is dependent on fundamental changes in the economic and social systems of the countries in question and that this will require the active support of the international community;

that economic reforms capable of bringing prosperity must be based on the introduction of a social market economy with guarantees for social security and protection of the environment;

that the European Community is resolved to strengthen economic cooperation with all Central and Eastern European states and to foster cultural and other exchanges between the peoples of East and West;

that transnational, closely related problems such as armaments, environmental issues and Third World problems can only be solved jointly;

Considers the following features as indicative for the future role of the European Community in relation to political developments in Central and Eastern Europe:

I. Basic situation

1. Welcomes the progress that has been made by the states of Central and Eastern Europe, including the Soviet Union, in terms of the dissolution of totalitarian structures in politics, the economy and society in favour of open democratic and pluralist structures, while noting that much remains to be done before democratic restructuring in Central and Eastern Europe can be said to have been consolidated;

2. Supports all measures that will facilitate the consolidation of a pluralist political, economic and social structure, and takes the view that the political parties of Western Europe, social groups and associations, and the churches can make a contribution to the construction of pluralist and accountable societies in all parts of Europe;

3. Welcomes the prospect of the appropriate organizations and bodies in the Member States of the Community supporting the establishment of pluralist parliamentary democracy and the development of democratic political parties in Central and Eastern Europe;

4. Encourages action to promote the free movement of persons between East and West, cultural relations and the twinning of towns;

5. Calls for complete adherence to and implementation of the CSCE Final Act and the UN charter with a view to the introduction of fundamental and human rights and of democratic principles in all countries of Europe;
6. Regards the embodiment of democratic structures and unqualified adherence to fundamental and human rights as the essential basis for the strengthening of cooperation and the extension of economic, financial and technical support measures by the EC to Central and Eastern Europe;

7. Hopes that all political groups will be able to take part on an equal footing in the electoral campaigns;

8. Hopes that the claims of minorities and nationalities will be dealt with democratically, sympathetically and in accordance with historical truth;

9. Welcomes the decision taken by the Plenum of the Central Committee of the Communist Party of the Soviet Union on 7 February 1990, to recommend to the Forthcoming Party Congress that it remove the Communist Party's monopoly on power from the Soviet Constitution;

10. Welcomes the fact that multi-party elections have recently taken place in the Baltic states;

11. Would welcome the situation where the proposed constitutional reform in the USSR in all its aspects (government and party system, emergency draft law, law limiting the right of defence, etc.), were to be drawn up as part of a democratic process open to participation by all interested and national ethnic groups, and leading to a new constitution based on the principles of a pluralistic, democratic constitutional state upholding the principle of separation of powers and in accordance with international conventions on human rights;

12. Hopes that the new presidency in the Soviet Union, which endows the president with extensive pleni potentiary powers, will be compatible with the principles of democracy;

13. Hopes that all the authorities of the new democratic systems will be subjected to democratic control and that appropriate jurisdictional guarantees will be developed to safeguard the freedom of citizens;

14. Supports the membership of Central and Eastern European states in the Council of Europe, if the appropriate conditions have been met;

II. Security and disarmament

15. Hopes that on conclusion of the present CFE negotiations there will be an immediate convening of a second round of CFE negotiations to agree on further conventional disarmament moves;

16. Welcomes the Soviet Union's willingness to countenance asymmetrical disarmament with the objective of a low-level balance, and welcomes the first stage in the withdrawal of Soviet troops from the sovereign states of Central and Eastern Europe wherever this is requested;

17. Welcomes the outcome of the recent summit meeting between Mr Bush and Mr Gorbachev;
18. Considers it appropriate, in the framework of CSCE, to develop an overall European security structure designed to meet the security requirements of all European states, including the Soviet Union;

19. Believes that consideration should be given to strengthening the confidence-building process developed by the CSCE so that a genuine verification agency could be established;

20. Notes with satisfaction that dialogue has been initiated between the two alliances concerning security strategies and doctrines and therefore advocates that the military doctrines in both East and West should be of a purely defensive nature;

21. Believes that the existing military alliances are at present a positive factor in European security and advocates that the proposals made by US Secretary of State Baker (speech of 12 December 1989) on new responsibilities and structures for the Atlantic Alliance should be taken up and developed;

III. Unification of the two Germanies

22. Takes the view that some features of the unification of the two Germanies including the recognition of existing German borders and certain security arrangements, should be enshrined in a treaty binding in international law;

23. Welcomes the conclusions of the special meeting of the European Council of 28 April 1990 concerning German unification;

24. Welcomes the progress achieved towards German unification and calls for close involvement of the European Community in this development;

25. Takes the view that in the talks on a final settlement of the German question the '2 plus 4' formula should be extended to include standing consultation of all neighbouring states of the two German states, as well as in the NATO and EC frameworks;

IV. Economic and other developments

26. Calls on the European Community to maintain undiluted and to strengthen its obligations under the G-24 framework (PHARE Programme) including the GDR, Czechoslovakia, Yugoslavia and Bulgaria;

27. Considers the decisions of the Strasbourg summit of 8 and 9 December 1989 and of the Commission relating to the tasks of the European Bank for Reconstruction and Development, the TEMPUS programme and the European Foundation for Occupational Training as steps in the right direction;

28. Welcomes the TEMPUS programme, with particular reference to university cooperation and measures to assist in management training and in the transfer of managerial know-how and marketing methods;
29. Calls for the COCOM arrangements to be confined to goods that have a direct military application;

30. Calls on the Commission to submit a proposal, pursuant to Article 223(3) of the EEC Treaty, for the amendment or cancellation of the list referred to in the second paragraph of that Article;

31. Assumes that a network of trade and cooperation agreements that will contribute to a normal development of trade and economic relations will be used as the basis for the Community's future relations with the countries of Central and Eastern Europe and, following the conclusions of the special meeting of the European Council of 28 April 1990, calls for association negotiations to commence with the countries of Central and Eastern Europe once the basic conditions have been fulfilled, without excluding the possibility of future accession to the European Community by such countries;

32. Welcomes the fact that the draft for a new party programme approved by the Central Committee of the Communist Party of the Soviet Union, as well as allowing new parties to be formed, also contains an acknowledgement of the need to introduce elements of a social market economy and particular forms of private ownership (including agricultural ownership);

33. Welcomes the outcome of the meeting held in Bonn on economic cooperation in the framework of the CSCE;

34. Calls for special consideration to be given to environmental problems in Central and Eastern Europe, including the Soviet Union, and for appropriate measures to be launched promptly;

35. Insists that the growing programmes of the European Community and its Member States for Eastern and Central Europe must not be allowed to lead either to a contraction of commitments to the less prosperous countries of the Community (e.g. structural funds), or a retrenchment of worldwide commitments by the Community to combat the environmental and debt crises, and hunger and poverty;

V. Overall European arrangements

36. Notes that, today more than ever, there is the need for an overall European structure that can serve as a framework for agreements and cooperation, and regards the CSCE process as a suitable means to this end;

37. Advocates, in the light of the principles for the CSCE proposed by the special meeting of the European Council of 28 April 1990, studying the possibility of institutionalized cooperation in the CSCE, including regular consultation meetings of the Foreign Ministers and the setting up of a small administrative secretariat;

38. Considers it appropriate for the European Community to have independent representation at the Helsinki II talks;
VI. The future of the European Community

39. Takes the view that the European Community inspired by the goal of becoming a political union should form the nucleus of a new Europe;

40. Takes the view that EPC, as the forerunner of a common external and security policy, should be fully integrated into the EC Treaty structure and supports the development by the European Community, by means of the establishment of political union, of a foreign and security policy of its own to be incorporated into the CSCE framework;

41. Considers that consolidation of the Community structure is the prerequisite for any enlargement of the Community;

42. Calls on the European Community to pursue the development of relations with other European states in a spirit of openness, solidarity and cooperation;

43. Calls on the Presidency of European political cooperation to make formal submission, pursuant to Article 2(7) of the Decision of 28 February 1986, of its comments on this resolution;

44. Instructs its President to forward this resolution to the Commission, the Council, the Foreign Ministers meeting in European political cooperation, the Council of Europe and to the governments and parliaments of the CSCE Member States.
MOTION FOR A RESOLUTION
tabled pursuant to Rule 63 of the Rules of Procedure
by Mr KLEPSCH and Mr HABSBURG
on behalf of the Group of the European People’s Party
and Mr PROUT
on behalf of the European Democratic Group
on a European Democracy Fund
The European Parliament,

- noting the development of democratic movements in East and Central European countries,
- recognizing that these countries have been under authoritarian one-party government for decades,
- recognizing the wish of the peoples of these countries for multi-party democracy and the elections to be held shortly,
- concerned at reports of harassment of democratic groups contesting these elections,
- recalling the positive results of its resolution (Doc. B 2-826/85) of 12 September 1985 tabled by Mr Cot, Mr Klepsch, Mrs Veil and Mr Prag in providing ECU 17 m towards the strengthening of democratic groups in Chile,

1. Approves the five-point requirement set by the Commission and Council regarding Community assistance to such countries, the points being the rule of law; respect for human rights; establishment of multi-party systems; holding of free and fair elections in the course of 1990; and economic liberalization with a view to introducing market economies;

2. Proposes the establishment of a European Democracy Fund within the framework of the European Community to contribute to the creation of political party structures, in which, in view of the imminent elections in these countries, the material needs of such parties, including publicity, are assured;

3. Proposes that this Fund be administered by the European Commission, which will present a report to Parliament;

4. Proposes that the Fund be made available to bona fide political formations at the direction of the European Parliament political groups in proportion to their political representation;

5. Proposes that the disbursement of such funds shall respect the electoral law of the countries concerned;

6. Requests that the budgetary procedure to set up the Fund be initiated;

7. Calls as a matter of urgency for the establishment of Community monitoring of the election processes with reports to the European Parliament;

8. Instructs its President to forward this resolution to the Council of Ministers, to the twelve Member State parliaments and to the Commission.