REPORT

on arrangements for importing newsprint into the European Union

Committee on External Economic Relations

Rapporteur: Mr PORTO

PART A: MOTION FOR A RESOLUTION

(Rule 52 of the Rules of Procedure)
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At the sitting of 23 April 1993 the President of Parliament announced that he had referred the motion for a resolution by Mr Stavrou on Community import arrangements for newsprint, pursuant to Rule 45 of the Rules of Procedure, to the Committee on External Economic Relations as the committee responsible.

At its meeting of 17 March 1993 the Committee on External Economic Relations decided to draw up a report and appointed Mr Porto rapporteur.

At the sitting of 7 March 1994 the President of Parliament announced that he had delegated the power of decision to the Committee on External Economic Relations, pursuant to Rule 52 of the Rules of Procedure.

At its meetings of 25 February, 25 March and 26 April 1994 the committee considered the draft report.

At the last meeting it adopted the resolution unanimously.

The following were present for the vote: Cano Pinto, vice-chairman and acting chairman; Porto, rapporteur; Guillaume, Hindley, Marck (for de Lemmer), Peijs and Rossetti.

The report was tabled on 26 April 1994 for inclusion on the agenda for the next part-session, pursuant to Rule 52(5) of the Rules of Procedure.
MOTION FOR A RESOLUTION

on arrangements for importing newsprint into the European Union

The European Parliament,
- having regard to its resolution of 16 September 1992 on media concentration and diversity of opinions,
- having regard to the motion for a resolution by Mr Stavrou on Community import arrangements for newsprint (B3-0130/93),
- having regard to Rule 45 of its Rules of Procedure,
- having delegated the power of decision, pursuant to Rule 52 of the Rules of Procedure, to the Committee on External Economic Relations,
- having regard to the report of the Committee on External Economic Relations (A3-0282/94),

A. whereas a decisive way of enabling the citizen to exercise fully his rights to freedom of expression and information and his rights to have access to education and culture is through an increase in readership,

B. whereas the publishing industry and the written press perform a role of primary importance not only in fostering the cultures of the Member States but also in promoting the common cultural heritage,

C. whereas, in contrast to the US dominance of culture transmitted through the audiovisual media, the European publishing industry and the European written press make an outstanding contribution to the dissemination and promotion of European cultures throughout the world,

D. whereas, despite the high level of readership which already exists in the European Union, it is to be hoped that it will rise further, particularly in Member States where the level of readership is lower,

E. whereas in the media market the written press is confronted with dynamic audiovisual media and, in particular, the ever increasing competition from television,

F. whereas paper accounts for between 20% and 25% of the cost price of the written press,

G. whereas the paper industry needs favourable conditions of competition to enable it to boost its capacity to compete in the international market, and benefit from the programmes agreed under the new GATT agreement,

H. whereas the current customs arrangements for newsprint were established to allow for some competition between Community newsprint producers - who

1 OJ C 284, 2.11.1992, p. 44

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depend on the European Union's very limited forestry resources - and Canadian producers, who benefit from the enormous natural resources available in Canada's forests,

I. whereas the European Union's newsprint industry has increased its productivity spectacularly as a result of investment in new machinery,

J. whereas exchange rate instability artificially alters the real terms of competition between companies,

K. whereas the future of this industry appears to be conditional on the development of the Union's forestry resources and the efficiency with which paper can be recycled,

L. whereas forestry conservation plays a decisive role in the maintenance of environmental balance in the world,

M. whereas 53% of the paper produced in the European Union derives from paper which has been recovered and satisfactorily recycled,

N. whereas the paper industry ought to help conserve forestry resources by managing them soundly,

1. Considers that the authorities in the Member States and the European Union ought to support the written media, which play an irreplaceable role in the promotion and diversification of Europe's culture and which cannot be replaced by the audiovisual media;

2. Considers that the industry must be guaranteed a solid economic base to ensure the survival not only of major companies but also of small and medium-sized publishing companies, particularly in countries where levels of readership are lower;

3. Considers that the removal in stages of the tariff protection which the newsprint industry enjoys in the European Union may have a favourable impact in reducing the cost price of the written press and so help to boost the competitiveness of the written vis-à-vis the audiovisual media;

4. Considers that, as a result of investment in recent years - which must be further stimulated - the paper industry is able to take on international competition provided that it is not subjected to 'monetary dumping' i.e. unfair competition caused by competitive devaluations;

5. Is convinced that conditions must be guaranteed in the paper industry to take into account not only large but also small and medium-sized enterprises, in order to prevent the emergence of monopolies;

6. Emphasizes that the expansion of the Union to include the four EFTA countries and the expected increase in capacity will increase the European Union's importance on the international newsprint market; hence calls on the Commission and the Council to adopt a favourable attitude towards liberalizing trade in this sector;

7. Considers that it is still possible to increase the extent to which paper in the European Union is recovered and recycled, particularly in urban areas; believes, however, that all environmental precautions must be
taken to find a satisfactory balance between wood and recycled material so as to enable Europe's forestry resources to be conserved as far as possible and to ensure, in addition, that recycled material is produced under the best environmental conditions;

8. Requests the Commission to submit a report to it by 30 November 1994 on the prospects for the paper industry in the enlarged European Union, including an analysis of:

* the compatibility with the Community's competition rules of the national aid granted to companies in this industry in the EFTA countries applying for membership;

* the impact of the Uruguay Round on the industry and the possibility of altering trading arrangements with non-member countries on a reciprocal basis;

* the geographical location of the proposed investment and its environmental consequences;

* the possibilities for and limits to the recovery and recycling of paper;

* the measures needed to encourage agreements between local authorities and companies in the industry on collecting and recycling paper;

9. Instructs its President to forward this resolution to the Commission, the Council and the governments of the Member States.