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Report of Proceedings
from 9 to 13 April 1984

Europe House, Strasbourg

Contents

Sitting of Monday, 9 April 1984	1
Resumption of the session, p. 1 — Approval of the minutes, p. 1 — Agenda, p. 2 — Waiving of Parliamentary immunity, p. 11 — European internal market, p. 13 — Annex, p. 27.	
Sitting of Tuesday, 10 April 1984	30
Approval of the minutes, p. 31 — Titanium dioxide, p. 32 — Budget — Final discharge to the accounting officer of Parliament for the 1981 financial year, p. 37 — Topical and urgent debate (announcement), p. 66 — Question Time, p. 66 — Action taken on the opinions of Parliament, p. 80 — Waste, p. 80 — Votes, p. 92 — Annexes, p. 95.	
Sitting of Wednesday, 11 April 1984	103
Approval of the minutes, p. 105 — Decision on urgency, p. 105 — Waste (continuation), p. 106 — Security, p. 108 — Right of members of the armed forces to form associations, p. 118 — EEC-USA relations, p. 119 — Northern Europe, p. 133 — Topical and urgent debate (motions), p. 137 — Agenda, p. 137 — Welcome, p. 138 — Question Time, p. 138 — Zimbabwe, p. 150 — Horn of Africa, p. 155 — Chile, p. 158 — Central America, p. 161 — Votes, p. 163 — Annexes, p. 164.	
Sitting of Thursday, 12 April 1984	200
Approval of the minutes, p. 201 — Welcome, p. 202 — Topical and urgent debate, p. 203 — Council of Agricultural Ministers, p. 215 — Agricultural structures, p. 223 — Spiritous beverages, p. 235 — Sheepmeat, p. 238 — Swine fever, p. 238 — Wine market, p. 239 — Veterinary medicines, p. 242 — Harmonization of consumer tax structures, p. 244 — Votes, p. 248 — Central America (continuation), p. 248 — EEC-Cartagena Agreement, p. 250 — EEC-EFTA, p. 252 — EEC-China, p. 254 — Regional problems, p. 259 — Annex, p. 272.	

(Continued overleaf)

NOTE TO READER

Appearing at the same time as the English edition are editions in the six other official languages of the Communities: Danish, German, Greek, French, Italian and Dutch. The English edition contains the original texts of the interventions in English and an English translation of those made in other languages. In these cases there are, after the name of the speaker, the following letters, in brackets, to indicate the language spoken: *(DA)* for Danish, *(DE)* for German, *(GR)* for Greek, *(FR)* for French, *(IT)* for Italian and *(NL)* for Dutch.

The original texts of these interventions appear in the edition published in the language spoken.

Contents (continued)

Sitting of Friday, 13 April 1984 283

Approval of the minutes, p. 284 — Votes, p. 284 — Budgetary policy for 1985, p. 286 — Agreement between the Swiss Confederation and the EEC, p. 290 — Customs debt, p. 292 — Food aid, p. 292 — Air transport, p. 294 — Hydrocarbons, p. 296 — Adjournment, p. 296 — Annex, p. 297.

Resolutions adopted at sittings of 9 to 13 April 1984 appear in the Official Journal of the European Communities C 127, 14. 5. 1984.

SITTING OF MONDAY, 9 APRIL 1984

Contents

1. Resumption of the session	1	<i>Mr Gautier; Mr Seal; Mr Pearce; Mr Enright.</i>	2
2. Approval of the Minutes: <i>Mr Blaney; Mr Bangemann; Mr Blaney; Mr Hutton</i>	1	4. Waiving of Parliamentary immunity — <i>Report by Mr Donnez (Doc. 1-123/84):</i> <i>Mr Donnez</i>	11
3. Agenda <i>Mr Sherlock; Mr Aigner; Mr Kellett-Bowman; Mr Aigner; Mr Irmer; Mr Barbi; Sir Fred Catherwood; Mr Dalsass; Mr Seeler; Mr G. Fuchs; Mr Seal; Sir Fred Catherwood; Mr Barbi; Sir Fred Catherwood; Mrs Castle; Mrs Boserup; Mr Bangemann; Mrs Walz; Mr Arndt; Mr Rogers; Mr Ligios; Mrs Scrivener; Mrs Kellett-Bowman; Mr Hord; Mr von der Vring; Mr Enright; Mr Kellett-Bowman; Mrs Ewing; Mr Hord; Mr Seal; Mrs Focke; Mr Bangemann; Mrs Focke; Mr Hord; Mrs Kellett-Bowman; Mr de la Malène; Mr Ripa di Meana; Mr Seefeld; Mr Arndt; Mr Møller; Mrs Walz; Mr Sherlock; Mr Beumer; Mr Sieglerschmidt; Mr Klepsch;</i>		5. Internal European market — <i>Report by Mr J. Moreau and Mr von Wogau (Doc. 1-32/84) and oral questions to the Commission by Mrs von Alemann (Doc. 1-18/84), Mr Rogalla and others (Doc. 1-19/84) and Mr van Aerssen and others (Doc. 1-20/84):</i> <i>Mr J. Moreau; Mr von Wogau; Mr Rogalla; Mr Herman; Mr de Ferranti; Mr Bonaccini; Mrs Nielsen; Mr Nebout; Mr Møller; Mr Adamou; Mrs von Alemann; Mr Nyborg; Mr De Gucht; Mr Narjes (Commission); Mr Beazley; Mr Narjes</i> . . .	13
		Annex <i>Mr Sieglerschmidt; Mr Donnez; Mr Prout; Mr Moreland; Mrs Gredal</i>	27

IN THE CHAIR : MR DANKERT

President

(The sitting opened at 5 p.m.)

1. Resumption of the session

President. — I declare resumed the session of the European Parliament adjourned on 30 March 1984.

2. Approval of the Minutes

President. — The Minutes of Proceedings of the sitting of Friday, 30 March 1984, have been distributed.

Are there any comments ?

Mr Blaney (CDI). — Mr President, I would like to have a clarification about the record of the sitting of Thursday, 29 March, during the last part-session. It concerns the vote on amendments and the fact that, in my opinion, the rapporteur for the motion on the North of Ireland, Mr Haagerup, misled the House in a way which led to a different result in the voting on a key amendment. The reason why I did not raise this when the minutes of proceedings were approved the next day was that these record what happened correctly but inadequately. I raise it now because the verbatim report of proceedings, only available after the part-session, omits the key exchanges.

The House had before it amendments from myself and from Mr McCartin, both seeking a commitment that there should be a regular report in the future on the situation in Ireland. When my amendment was

Blaney

called, Mr President, the rapporteur spoke against it but said that the same point would be covered by the amendment tabled by Mr McCartin. The actual words used were as follows. He said in relation to my amendment, No 47, that ... *a similar amendment was rejected by committee, so I am obliged to say No. However, the issue comes up when we vote on the very last amendment, No 58, so I would vote against this one.* When Mr McCartin's amendment was called (No 58, the very last amendment), the rapporteur asked if Mr McCartin would withdraw it. As a result of this request and as a result of the rapporteur saying that there were better ways, such as questions to the Commission, oral questions with debate, etc., Mr McCartin was prevailed upon to withdraw the amendment, which asked for a periodic review. As a result, Mr McCartin did withdraw, and the House did not have the occasion to vote on his amendment.

I submit that Mr Haagerup misled us as to what he intended, and as a result Members voted otherwise than they might have done on Amendment No 47. I have no doubt that if Amendment No 58 had been put, it would have been carried by this House. I ask whether the rapporteur might now be asked for an explanation as to why, in his statement on the first amendment in my name, No 47, he gave the clear impression that by defeating it...

President. — Mr Blaney, may I interrupt you ?

The problem is clear, and Mr Haagerup is not responsible. He is very responsible, and that is why he is not responsible in this particular instance. What you are referring to is the 'rainbow' version of our verbatim report. There the discussion was not given in detail. However, the final version, which you receive in one of the official languages, will have a full report on the information given by the rapporteur on this specific item. I can assure you that your point will be covered completely there, so that we do not have to come back to it.

Mr Bangemann (L). — (DE) I am very glad that you have said that, Mr President, but Mr Blaney's cause would have been better served if he had not attacked the rapporteur in the latter's absence. Surely it is clear to everyone in this House that Mr Haagerup had prepared his report with the greatest care and that he also dealt with all amendments with the greatest care. I therefore do not think it right that Mr Blaney should make his accusations in the rapporteur's absence, and it would be better if he cleared up this matter with the rapporteur.

President. — Mr Bangemann, I have already said that the rapporteur behaved very responsibly, but he is not responsible for the provisional edition of the Report of Proceedings.

Mr Blaney (CDI). — Mr President, could I just say in reply to Mr Bangemann that it has been my problem as to when it would be proper to raise this matter. I did raise it at the only appropriate time, which is the first occasion that we met since the document became available...

President. — Mr Blaney, that point is fully accepted, but you were not careful enough concerning Mr Haagerup's position, I would say.

Mr Blaney (CDI). — I would be happy if the rapporteur were here to answer for his misleading the House.

President. — It was not his fault.

Mr Hutton (ED). — Mr President, I have seen the note that Mr Patterson wrote to you after the conclusion of the last part-session. As I remember it, the note asked if you would make a judgment about the action of the Vice-President here at the time, and I wonder if you have had a chance to do that ?

President. — I did, Mr Hutton, but I would first like to ask you a question. As a rapporteur, would you judge that the final result as far as the resolution is concerned was affected by the vote on recital F ? If it was not affected, I think there is no problem. If it was, I would propose we vote again.

Mr Hutton (ED). — Mr President, when I saw the result — and I must commend the services of the Parliament for the speed with which the Minutes reached me — I did think that it had been affected by the vote.

President. — If the rapporteur's opinion is that the vote was affected because of the order in which the vote was taken — because that was the real problem — then I think the vote should be taken again. We shall put it on the agenda for Thursday or Friday.

(Parliament approved the Minutes)¹

3. Agenda

President. — Before proceeding to the adoption of the order of business, I have to draw the attention of the House, on my own behalf and that of the group chairmen, to a number of problems which are particularly important now that the Parliament is approaching the end of its legislative period.

¹ For items relating to petitions, reference to committee and documents received, see the Minutes of Proceedings of this sitting.

President

That many requests should be made for including reports and other texts in the order of business of this and the next part-session is quite understandable, but the time at our disposal during these two part-sessions does not make it possible for all these items to be dealt with. Moreover, we have to avoid working in conditions that do not conform to the role we are called upon to play in the life of the Community.

The group chairman and myself therefore came to the conclusion this morning that it is unfortunately impossible to agree to all the requests that have been made for including one or another item in the agenda. This week's draft agenda, in the form in which it was distributed to you, contained 47 reports, also two hours set aside for the topical and urgent debate and three hours for Question-time with questions to the Council and to the Commission. To this must be added the time required for voting.

This morning, the group chairmen considered 17 requests for the inclusion of new items. Faced, however, with the fact that 450 amendments have already been tabled and a few more are yet to come, resulting in a voting-time of about 8 hours, we decided to propose that the House should add no more than 7 reports whose subject or whose urgency justified their inclusion.

I shall, of course, submit to you all the other requests as well, but two circumstances will have to be borne in mind:

1. Any further report now added to the order of business will appear at the end of Thursday's agenda and will, if all goes well, be dealt with during the night sitting or else on Friday morning at a point approaching 1 or 2 p.m. I hope that at that point the attendance will be good, but this was not, unfortunately, the case at the last part-session.

2. The heavily-loaded order of business will demand an especial effort on the part of our technical services, and the result may be that texts are not available in good time for the votes.

I shall now put to you the group chairmen's proposals in order, one day at a time, and for each day I shall also indicate those requests which the group chairmen have decided that they cannot endorse.

With regard to Monday's agenda:

— pursuant to Rule 5 (4), Mr Donnez' report on a request to waive a Member's immunity has been placed at the head of the agenda: this cannot be changed;

— at the request of the Committee on the Environment, Public Health and Consumer Protection, Mrs Seibel-Emmerling's report on the nutritive value of food will be taken without debate and placed on Friday's agenda, together with the other reports without debate, since the time-limit for

tabling amendments has to be extended and the vote can therefore no longer be taken this evening;

— we cannot vote on the Rogalla and Friedrich reports, since the amendments are not yet available. These reports will be put to the vote tomorrow at voting-time.

Mr Sherlock (ED). — Mr President, on Item 83, again I am afraid that the amendments have not arrived. Two of them have not arrived in any language. Some have not arrived in English to my certain knowledge. This is a very important matter which could well ruin part of a very significant industry in the European land-mass, and I suggest that with your assistance, Mr President, at least the vote must be deferred, if not the debate.

President. — Mr Sherlock, you are right. I now see that I have to add the Ghergo to the Rogalla and Friedrich reports for exactly the same reason — that the vote has to take place later. However, the debate will start at the point indicated in the agenda.

As regards Tuesday's agenda, the Committee on Budgetary Control has asked that the joint debate on Items 86 to 94 be amended to include the Aigner report on the discharge for 1982 in respect of Section I: European Parliament, in lieu of the Schön report, which has not been adopted in committee and is therefore withdrawn, and also the Irmer report on the discharge in respect of the European Development Fund for 1982.

Mr Aigner (PPE), Chairman of the Committee on Budgetary Control. — (DE) Mr President, the joint debate should also include the report on the Court of Auditors' report on the Stuttgart Summit.

President. — Mr Aigner, your committee only proposed to put the Aigner and Irmer reports on the agenda.

(Interjection from Mr Aigner: 'That I don't understand!')

Mr Aigner (PPE), Chairman of the Committee on Budgetary Control. — (DE) The Aigner report on the Court of Auditors' report on the Stuttgart Summit was adopted in committee some weeks ago, and it should be included in the joint debate.

Mr Kellett-Bowman (ED). — There are two further points, Mr President.

First, on the agenda we have a report by Mrs Boserup. She, in fact, has two reports — the main discharge for 1982, which is mentioned, and the one on the development funds, which is not mentioned.

Secondly, I wish to raise a point of order under the Treaty. On the Saby report, Doc. 1-110/84, on the

Kellett-Bowman

discharge to Parliament's accounting officer for 1981, Article 206(b) of the Treaty empowers Parliament to grant a discharge. What it does not say is that a discharge is divisible. If you turn to the Saby report, you will see that there is a Recital I, which excludes some items from the discharge, and then the recommendation, which is that discharge be granted. I am not asking for an off-the-cuff reply from you on this point, Mr President, but I would be grateful if you could ask your legal advisers where we stand on this before the debate begins tomorrow morning.

President. — Mr Kellett-Bowman, it is indeed a rather difficult point and I think we should not rule on it now.

Mr Aigner (PPE), Chairman of the Committee on Budgetary Control. — (DE) We went into these problems in committee quite thoroughly and reached the solution which is now before the House.

President. — Mr Aigner, we shall therefore include the report on the Court of Auditors' report on the Stuttgart Summit in the joint debate.

Mr Irmer (L). — (DE) A point of clarification, Mr President. Mr Kellett-Bowman asked just now about Mrs Boserup's second report. I have now taken over this report from Mrs Boserup.

President. — As regards Wednesday's agenda :

- Mr Habsburg's oral questions to the Commission and the Council on relations between the Community and the regime in Zimbabwe, which were to be included in the debate on the Scott-Hopkins report on the situation in Zimbabwe, have been withdrawn at their author's request ; moreover, the Council will not be present ;
- the Enright report on relations between the EEC and Namibia is entered on the agenda after the Scott-Hopkins report on Zimbabwe ;
- the Group of the European People's Party requests that the Baduel-Glorioso report on relations between the Community and Malta be withdrawn from the agenda for this part-session.

Mr Barbi (PPE). — (IT) We also ask that the Enright report be excluded from the agenda.

President. — Mr Barbi, I am very sorry, but according to our Rules of Procedure a request for the withdrawal of a report from the agenda must be tabled in writing one hour before the sitting begins.

Mr Barbi (PPE). — (IT) Mr President, of course, if it had been entered on the agenda, but it was not : it was proposed only this morning by the group chairmen, and there is no other way of trying to oppose it.

President. — True, but all the groups were represented at the meeting, and I think the group

chairmen had the time to table a request for it to be withdrawn again. This was not done.

Sir Fred Catherwood (ED), Chairman of the Committee on External Economic Relations. — I simply would like to get up, as committee chairman, to oppose this. It is on the agenda here, and if it was not put in in proper form I oppose its being taken off without any explanation given.

Mr Dalsass (PPE). — (DE) Mr President, would you please explain what I, for example, should have done to get the request tabled an hour beforehand ? I have the same right as anyone else to put the request, and I wanted to do so. I therefore think it is in order to put the request now and to put it to the vote.

President. — I am not quite convinced, Mr Dalsass, but I see that there is a problem here. The group chairmen always meet on a Monday morning to decide what is to be changed in the order of business and what is not. Communication within each group should be good enough to allow a request for the withdrawal of an item from the agenda to be submitted by 4 p.m. after the group meeting is over. But we do not want to go into that now.

Mr Seeler (S). — (DE) Mr President, I wish to speak against this proposal. This report was dealt with thoroughly in the Committee on External Economic Relations, and I therefore see no reason at all why it should now be withdrawn from the agenda simply because the committee rejected a few amendments from the PPE group.

Mr G. Fuchs (S). — (FR) Mr President, I find it absolutely bad behaviour — I cannot put it any other way — to ask us to withdraw a report from the agenda without giving us the slightest reason. I ask Mr Barbi to give an explanation.

President. — Mr Fuchs, such an explanation is not required.

Mr Seal (S). — Mr President, I am a little confused now as to exactly what we are talking about. We were told that there is an objection to two reports, one that is on the agenda and one that you propose should go on the agenda. Could it be made clear exactly which one we are talking about, because I do see the dilemma when it comes to opposing one that you are suggesting should go on the agenda, as opposed to one that is already there ?

President. — I do not quite see the dilemma, Mr Seal, but we can vote on the question whether or not to include in this week's agenda the Enright report on Namibia.

(Parliament adopted Mr Barbi's request)

President

The next question concerns the Baduel Glorioso report. The Group of the European People's Party has asked to delete that report from this week's agenda. I ask for one speaker in favour and one against.

Sir Fred Catherwood (ED), *Chairman of the Committee on External Economic Relations*. — I understood from you, Mr President, that they ought to have submitted in writing the request to take off the agenda something already on the agenda and that they ought to have given some reason for the request but have not done so. On what basis, therefore, are you asking us to vote?

President. — The Christian-Democratic Group asked in due time to delete this report from the agenda.

Mr Barbi, may I ask someone from your group to explain why you want this report to be withdrawn from this week's agenda?

Mr Barbi (PPE). — *(IT)* Mr President, we submitted in good time a written request for the withdrawal of this report from the agenda. As it is, we have so many things on our plate that we can hardly deal with them. We have already talked about Malta several times in this House, and it seems to me that this report could very well be deferred.

Sir Fred Catherwood (ED), *Chairman of the Committee on External Economic Relations*. — It seems to me, Mr President, that when we have relations with a particular country it will be easily misunderstood if Parliament removes from the agenda a report on that country and says that it is not worth discussing in Parliament. We have been through the formal procedures in the committee, we have come up with a report, and I think that relations with that country will be greatly damaged if at the last moment and without giving adequate explanation — I must say that Mr Barbi has not given an adequate explanation except pressure of time — the report is taken off. I therefore oppose it.

(Parliament adopted the PPE Group's request)

Mrs Castle (S). — Mr President, may we be told whether, either on Wednesday or at any other time during the week, we are going to have a report on the meeting of the Council of Agricultural Ministers, with its very important decisions on agricultural proposals? I am astonished it is not on the agenda. Can we be told if it will be inserted?

President. — Mrs Castle, I shall be coming to that point when we come to discuss Thursday's agenda. I have a request from Mr Chambeiron and 10 others to delete the Klepsch report on security problems. The request has been submitted in full conformity with Rule 56.

Mrs Boserup (COM). — *(DA)* Mr President, colleagues, with all the seriousness that it is possible

for me to convey after this rather noisy introduction to our work, I must ask that Mr Klepsch's report be removed from the agenda. It calls for the linking of European Community cooperation with NATO cooperation, in violation of the promises made to the Danish electorate and, moreover, in conflict with the wishes of other Member States. I find it inappropriate that this matter should be discussed and, if Members are interested in discussing peace and security, there are plenty of opportunities to do so outside this House, when the friends of peace go on a peace march here as Easter approaches. I think that will do more good than the use of this Assembly to discuss matters on which it has no competence. I propose that the subject be removed from the agenda.

Mr Bangemann (L). — *(DE)* Mr President, we have considered the question of security policy on various occasions and I note with satisfaction that the Social Group has abandoned its initial opposition to the discussion of such matters. I still remember very clearly that at the beginning of our term of legislature...

(Interjection by Mr Enright)

Enright, you know full well that this is right, and not Enright!... the Socialist Group voted against every debate on security policy, which is why I am glad that we will be discussing this report now — with the approval of the Socialist Group!

(Applause)

(Parliament rejected Mr Chambeiron's request)

Mr Bangemann (L). — *(DE)* Mr President, I would really like to know by what right the SPD in Germany says that security policy is the most important issue for Europe but now abstains from voting.

President. — Mr Bangemann, you can raise all these points on Wednesday.

Mrs Walz (PPE), *Chairman of the Committee on Energy and Research*. — *(DE)* Mr President, I regret the fact that as Chairman of the Committee on Energy I have to introduce a slightly more sober note into this splendid debate. Now that several reports have been withdrawn, I would ask that you respond to the wishes of 21 members of the Committee on Energy and put the Protopapadakis report on the agenda. It is the report on the introduction of a consumer tax on hydrocarbons, a Community tax in fact. Since at present we are looking for Community resources and the plenary itself instructed us, the committee, to draw up this report in the Percheron report, this report has priority over all resolutions, pursuant to Rule 47. I therefore request you to put this item on the agenda, although I know that as you warned us earlier it may not be possible to consider it until Thursday between 9 p.m. and midnight or on Friday morning.

President. — If there are no objections, we shall place the report on the agenda for Thursday.

Mr Arndt (S). — *(DE)* Mr President, I do not want to create any difficulties for you, but after Mr Bangemann's statement I simply must say why we have just abstained from voting. May I draw your attention to the fact, Mr Bangemann, that earlier on two items were withdrawn from the agenda with no forewarning. In the vote on one item, the Conservative Group had first voted in favour of its remaining on the agenda by a show of hands. Then the group was put under pressure and in the subsequent electronic vote, it voted against. So we have gained the impression that the parties on the opposite side of the House are trying to manipulate this agenda. That is why we have abstained!

(Applause from the left)

President. — Mr Bangemann, shall we drop the electoral campaign now for a few minutes and see to Thursday's agenda? Wednesday will give you an opportunity to discuss security matters with Mr Arndt.

Mr Rogers (S). — Mr President, on a point of order, the Rules of Procedure of this Parliament apply to the front benchers as well as to Members at the back. If you let them get away with it, I cannot see why you should tell me to stay in line. If Mr Bangemann is going to have electoral fever continually rush to his brain, I hope you will not allow his considerable physical presence and his position on the front bench to waste the time of this House for the rest of the week while he electioneers.

(Laughter, interruptions)

President. — Mr Bangemann does not fit into a back bench, so that is already a problem.

With regard to Thursday's agenda, the Commission intends, at 12 noon, to make a statement, with debate, on the outcome of the meeting of the Council of Agricultural Ministers. On the other hand, the Council has submitted to us a number of draft regulations on the 'agricultural package' which are to be dealt with by urgent procedure. Admittedly, we have to await the results of discussions in the Committee on Agriculture and also the vote tomorrow morning, but I think it would be advisable to combine the Commission's statement on the 'agricultural package' with the debate on the draft regulations. If urgent procedure is not adopted, we shall merely have the Commission's statement together with reactions from the political groups.

The Hord report on the distribution of veterinary medicines is to be followed by a joint debate on the Ligios report, on behalf of the Committee on Agriculture, on wines and the Hopper report, on behalf of the

Committee on Economic and Monetary Affairs, on consumer taxes.

Mr Ligios (PPE). — *(IT)* Mr President, since the report bearing my name and that by Mr Hopper have already been debated — in fact, mine was in the middle of the vote when it was sent back to committee — I would ask that these be placed before the others on the agenda — that is to say, between Items 85 and 113, or else between Items 115 and 116.

President. — Mr Ligios, we are proposing to insert these two reports between Items 120 and 121.

In view of the situation that will result from the debate on the draft regulations emanating from the Council, I would urge Members to avoid completely upsetting the agenda, since otherwise we might find the entire agricultural debate being put off, together with the regional debate, until the evening sitting. It would therefore be better to keep the important debate on agricultural matters in first place, as at present planned. This would be followed by the Ligios and Hopper reports, then by the regional debate.

Are there any objections?

That is agreed.

We pass on to the group chairmen's proposal to insert Mrs Boot's report on the strengthening of trans-frontier cooperation in the joint debate on the two De Pasquale reports.

This same joint debate on regional policy matters was to have included the Travaglini report on the eighth ERDF report, but this was not adopted in committee and is therefore withdrawn. The group chairmen propose that it be replaced by the Griffiths report on the outcome of the Conference of the Regions.

Are there any objections?

That is decided.

Finally, the Liberal and Democratic Group request that the Scrivener report on budgetary policy guidelines for 1985 be brought forward to enable it to be put to the vote during voting-time. This request has been tabled in conformity with Rule 56.

Mrs Scrivener (L). — *(FR)* Mr President, this request was not made for any personal reasons — since I shall be here on Friday in any case — but because it would be deplorable to have the vote on the budget policy guidelines for 1985 on Friday morning, a day when, as you yourself have said, there are likely to be very few Members present.

I really do not see how we could press our case with the Commission for guidelines that had been voted by a mere handful of Members.

That is why we have asked for this report to be brought forward, especially as the debate on it is certain to be extremely brief.

Scrivener

I am aware of the difficulties this poses for you, Mr President, but at the same time I ask you to consider how ridiculous it would be for the vote on so important a matter to be held under such conditions.

Furthermore, could not the Notenboom report, which has likewise to do with the budget and which will also take up very little parliamentary time, be brought forward too?

President. — If your request is accepted, your report will have to be dealt with after the agricultural debate, including the Ligios and Hopper reports, and before the regional debate.

Mrs Scrivener (L). — (*FR*) Immediately after the urgent debate. I know there is to be a Commission statement, but straight away after.

President. — No, Mrs Scrivener, that is quite impossible. It is planned to begin at midday the big debate on the outcome of meetings of the Ministers of Agriculture, together with the Commission statement and possibly followed by an urgent debate on the draft regulations. All that constitutes a crucial item which has to be fixed as a priority.

If you want your report to be brought forward, we shall have to insert it between the agricultural debate and the regional debate. There is no other way.

Mrs Kellett-Bowman (ED). — Mr President, may I point out that the regional policy of this Parliament is also a major matter to very many parts of the Community countries, the least advantaged parts, and the way the agenda is going, it is being put further and further back, as though it were of no account. I would respectfully ask you to give it its proper place on the agenda.

President. — Mrs Kellett-Bowman, I note that you have spoken against the proposal because Mrs Scrivener asked me to bring forward her report. I have said that I cannot bring it forward before the agricultural debate, so the most logical solution if the House accepts her proposal would be to fit it in between the agricultural and regional debates, because the proposal was to vote on Thursday. You have spoken against that, because you say that postpones the regional debate, which is an important debate.

Mr Hord (ED). — A point of order, Mr President. Could you confirm to this House that the abdication that you have just received from Mrs Scrivener is supported by an application under Rule 56?

President. — It is, Mr Hord.

Mr von der Vring (S). — (*DE*) Mr President. I too wanted to speak against the request. I do not think, it would be proper for us now to vote on the importance or otherwise of an item in connection with the sittings of Thursday and Friday.

(*Parliament rejected the request of the Liberal and Democratic Group*)

President. — At the request of the Committee on Development and Cooperation, Mrs Focke's report on operations in place of food aid and the Lezzi report on food aid management, will be dealt with without debate and moved to Friday with the other reports without debate. The three oral questions included in the debate on the Lezzi report will be included in the Question-time of the May part-session.

Mr Enright (S). — It is on a point of the agenda. What I want to know, Mr President, is what will happen to those reports that have been thrown off by some of the lackeys of the extreme right in South Africa over there. Shall we have a chance to debate them in May?

President. — We will discuss in the enlarged Bureau, Mr Enright, on Wednesday, what the situation will be, and you will hear soon afterwards.

Mr Kellett-Bowman (ED). — Mr President, not taking the Focke and Lezzi reports with debate leaves the oral questions hanging, as you said. It might be applicable if Mr Jackson's question, which is based on the European Court of Auditor's reports, be made part of the general discharge debate on Tuesday, since one of the paragraphs in Mrs Boserup's report is on this very point. In order to help we will give Mr Jackson group time.

President. — It is a fine suggestion, Mr Kellett-Bowman, but I understood this morning, during the meeting of group chairmen, that there was a keen interest in having the Commissioner responsible reply to the question. Because of that keen interest, we arrived at the solution which we have now proposed to you. Assuming that the questioner wants to question the Commissioner responsible, who will not be there during the joint discharge debate, I think our proposal should stand. Do you agree, Mr Kellett-Bowman?

Mr Kellett-Bowman (ED). — Mr President, you imply by that that Mr Pisani, will be here to answer the questions at that time?

President. — Yes, that is right.

Mrs Ewing (DEP). — Mr President, I rise to ask whether you do not consider that today's proceedings and the mammoth changes to the agenda have reflected badly on this Parliament's whole standing. Is there not a right of Members to come with some degree of certainty as to what debates will be held, and have we not seen today a most amazing increase in these suggestions that debates be dropped? Am I not right in thinking that in some of the cases there has been no courteous intimation to the rapporteur? Is that not a diminution of the courtesy and standing of this whole Parliament, Mr President? I ask if you cannot deplore this from your high office.

President. — Thank you, Mrs Ewing, but I would not quite agree. The number of changes compared with the number of proposals on the agenda is still extremely limited, I would say, and people who have come here for a specific purpose will be well satisfied in 48 of the 50 cases. So I think we have behaved worse in the past than we have today.

Mr Hord (ED). — Mr President, I would like to speak against the proposal to have the Focke and Lezzi reports taken without debate. Is this the time for me to make such a case?

President. — Yes, If you have 10 Members to support you, you can do so, Mr Hord. However, that automatically means that the reports will be sent back to committee under Rule 34.

Mr Hord (ED). — Mr President, what I wanted to do was to speak against the proposal by the Committee on Development and Cooperation that these two reports should be taken without debate.

Are they going back to committee or are they going to be taken without debate?

President. — If you do not want to have them without debate, they have to be debated but only after being sent back to the committee. That is the consequence of your statement. Do you still insist?

Mr Hord (ED). — I want the matter to be debated and voted on in the normal way, Mr President. I do not want this to go back to committee. I believe that the House is entitled to have a full debate, and I find it deplorable that we should be given such short notice of the committee's intentions and that we should not have that opportunity for a full debate.

President. — The Committee on Development and Cooperation has now proposed, pursuant to Rule 34, that these two reports be taken without debate. Our rules say very clearly that if a number of Members ask to have a debate, then the report is sent back to committee. All I have to do is to apply the rules which are very clear as far as this point is concerned.

Mr Seal (S). — With respect, Mr President, I just cannot agree with that decision of yours. On the agenda we have two reports with debate. We have now been told that these are to be taken without debate. Surely it is up to this House whether we decide to accept that change or not. If we do not accept it, then surely the *status quo* prevails and they stay down as reports with debate. I just cannot accept your ruling.

President. — No, the provisional proposals have been changed by the committee in question, and we have to adapt our procedures to them. Here it is quite clear the Committee on Development and Cooperation has proposed to have no debate.

Mrs Focke (S). — (DE) Under no circumstances may the decision be postponed. The Committee on Development and Cooperation urgently wanted a decision and the proposal to adopt the report, perhaps even without debate, was designed to speed matters up. It is not the committee but its chairman who decided that. So that is why I ask either that no-one should request a debate or that the President should allow us to debate the report this week. But under no circumstances may it be referred back to committee!

Mr Bangemann (L). — (DE) That is all very well but in that case Mrs Focke must also be aware of the consequences under the Rules of Procedure. We would have been quite willing to hold this debate as scheduled, but the committee itself requested that these two reports be adopted without debate. In that case, all we can do is either respond to the wishes of the Committee on Development and Cooperation or, if it now wants a debate, refer the report back to the committee. Surely the Committee on Cooperation and Development must be aware of these consequences! There is no other way, Mrs Focke. We do want to help you, but if you arrange things in such a way that we cannot help you, then it really is difficult to help you.

President. — Mr Bangemann, it was the committee that made this proposal.

Mrs Focke (S). — (DE) My dear Mr Bangemann, it would be kind of you to listen more closely next time. The committee did not decide on this. It was a suggestion that later came from the committee chairman in order to speed things up. If the House does not want it that way, then we ask for it to be left as it was — that is to say, with debate.

President. — Mrs Focke, that is no longer possible. Mr Poniatowski has proposed to me, in writing and on behalf of his committee, that the two reports be dealt with under Rule 34 of our Rules of Procedure. If Mr Hord now asks for a debate, we must send the report back to committee.

Mr Hord (ED). — Mr President, I think that where we are going wrong is that we have been given an agenda which states that these two reports will be with debate. I would submit that Rule 34 does not apply to this situation because Rule 34 gives this House committee guidance as to how they can go about instituting a situation without debate. Then if the agenda states a given proposal is without debate, it is incumbent upon 10 Members — as you rightly mentioned — to get it changed to an item with debate. The situation here is the other way around. We have not had any notice that we are having this without debate.

Hord

This is the great problem and I would suggest, Mr President, the House having had notice of the proposal for this to be taken without debate, that we have an opportunity to get 10 Members to make representation and a vote can be taken on this tomorrow.

President. — I have to check, but if you are right that Rule 34 procedure was not proposed before the committee deliberated, then it is impossible, because nobody in the House could have objected to that procedure. Then we should have a normal debate, you are absolutely right.

In view of the uncertainty arising out of this situation, might I then propose that we deal with these two reports on Thursday during our plenary sitting and forget about Rule 34? I think that is the only reasonable way, because otherwise there will have been an error in the procedure.

(Parliament agreed to this proposal)

Mrs Kellett-Bowman (ED). — Mr President, may I take it that Mr Jackson's question will therefore be incorporated?

Mr Jackson's question was originally attached to Mrs Fock's and Mr Lezzi's reports. So may I take it that now they are going to be with debate it automatically comes back onto the agenda?

President. — Yes, that would be automatic. These questions now come back because the reports are to be taken with debate.

Mr de la Malène (DEP). — *(FR)* Mr President, I understood that the Commissioner would not be here on Thursday to reply to the questions.

President. — No, he will be there on Thursday.

The Committee on Transport has asked for the inclusion of Mr Ripa di Meana's report on air transport.

Mr Ripa di Meana, do you want to have this report on the agenda?

Mr Ripa di Meana (S). — *(IT)* Of course, Mr President.

Mr Seefeld (S), Chairman of the Committee on Transport. — *(DE)* Mr President, last part-session I asked that this report be deferred and, if possible, put on the agenda of this part-session. I should much appreciate it if this could be done.

President. — That will not be easy.

(Parliament adopted the request of the Committee on Transport)

The European Democratic Group and also Mrs Viehoff and others have asked for the inclusion of the Cottrell report, on behalf of the Committee on Youth, Culture, Education, Information and Sport, on new

religious movements. Before consulting the House on this proposal, which has been made pursuant to Rule 56, I should like to say that the group chairmen have undertaken to find a suitable place for this report on the agenda and this will be very difficult so far as the April part-session is concerned.

Mr Arndt (S). — *(DE)* Mr President, you have just said that the Cottrell report has been deferred to the May part-session. It is not, however, on that agenda, and whether or not it is dealt with in May can only be decided in connection with the agenda for May.

President. — Mr Arndt, the group chairmen will do what they can to ensure that this report comes on to the May agenda. At the right moment, the groups can still have it removed.

Mr Møller (ED). — *(DA)* I do not think that this report should be on the agenda in April or May at all, because it seems to me that it is beneath Parliament's dignity to discuss religious freedom or human rights in this way. We stand for the protection of human rights, not for their violation, and we have often defended human rights. But in this instance we are faced with a violation of human rights, and I therefore think that we should reject this proposal.

President. — Mr Møller, this is no time to give an explanation of vote on the Cottrell report. We shall do that in May if it is accepted for the May agenda.

I now come to Mrs Walz, who on behalf of the Committee on Energy, Research and Technology has asked for the inclusion of the Protopapadakis report on a Community energy tax.

Mrs Walz (PPE), Chairman of the Committee on Energy, Research and Technology. — *(DE)* Mr President, Parliament, through the Percheron report, gave us the task of compiling this report. It may prove a means of increasing the Community's own resources. That is why the Committee on Energy, Research and Technology attached importance to having it on the agenda of this part-session, since in May it would not have a chance of reaching its turn.

(Parliament adopted the request)

President. — The European Democratic Group asks for the inclusion of Mr Sherlock's oral question to the Commission on chlorofluorocarbons.

Mr Sherlock (ED). — Mr President, I have submitted this as a request for urgent and topical debate, in the name of the group.

President. — So you withdraw this request?

Mr Sherlock (ED). — It is no longer submitted as a request for oral question with debate.

President. — Then it falls.

I have a request from Mr Beumer and 10 other signatories that the Notenboom report on the financial contributions of Member States be moved to Friday after the votes.

Mr Beumer (PPE). — *(NL)* I can be very brief, Mr President. What I have to say concerns, among other things, the desire for close consideration. I have only one request, and that is that the report be placed at such a point on Friday's agenda that as many Members as possible are present for the debate. This is fully justified by the importance of the subject.

President. — May I propose to the House that the Notenboom report be taken as the first item on Friday after the votes? There are special reasons for granting this request: Mr Notenboom is leaving us, and his farewell dinner is to take place on Thursday evening. It would be particularly unfortunate if on that occasion he were obliged to present his report.

Are there any objections to this postponement?

That is agreed.

As regards Friday's agenda, at the request of the Committee on Energy, Research and Technology, the vote on the motion for a resolution contained in the Pedini report on the JRC Board of Governors, which had been held over pursuant to Rule 36, will be included in the vote to be taken at the beginning of the sitting.

Next, the group chairmen decided to propose that the Peters report, on behalf of the Legal Affairs Committee, on the right of members of the armed forces to form associations, which could not be dealt with at the last part-session, be taken on Friday — after, I would add, the votes and the Notenboom report.

Mr Glinne has asked that this item be taken on Thursday immediately after the debate on the agricultural reports.

Mr Sieglerschmidt (S). — *(DE)* Mr President, on behalf of the Socialist Group I would like to endorse the motion to include the report on the agenda and explain why we want the date changed. This report by the Legal Affairs Committee affects ten of thousands of professional soldiers and conscripts. Their organizations, unions and professional associations are waiting for the European Parliament to come to a decision. This decision should be taken within an appropriate time. I would like to amend the Socialist Group's motion regarding the date slightly. Now that we have decided to keep the Klepsch report on the agenda, I would consider it an excellent thing if we could fill the gap on Wednesday by considering the Peters report either before or after the Klepsch report, since they have some bearing on each other.

Mr Klepsch (PPE). — *(DE)* Mr President, I would like to endorse Mr Sieglerschmidt's motion, because

we have now postponed this report at two part-sessions and because it really is arousing great attention. It deals with the rights of those employed in the armed forces, and for that reason I move that Mr Sieglerschmidt's motion is adopted.

(Parliament agreed to this request)

President. — Next, Mr Hord and 10 other signatories have asked that the Howell report on Malta and the Stella report on the vineyard register, scheduled to be taken without debate, be taken with debate. Pursuant to Rule 34, these two reports have been sent back to committee.

At the request of the competent committees, the Vetter report on the transfer of convicted prisoners, the Chambeiron report on the Geneva Convention and the De Gucht report on urbanization in the Third World are added to the list of reports to be taken without debate.

Pursuant to Rule 57, I have received from the Council requests for urgent debate on proposals concerning the slaughter of certain cattle, the granting of calving premiums, aids to small-scale milk producers, peas and field beans, agriculture in Greece, and irrigation in Greece. Urgent procedure is justified by the fact that the Council is required to take a decision on these proposals as soon as possible.

Again under Rule 57, I have received from the Commission a request for urgent debate on a draft regulation on the description of milk and milk products. Urgent procedure is here justified by the fact that this regulation is to enter into force on 1 May next with a view to protecting consumers.

The Committee on Agriculture is meeting tomorrow to consider these proposals. I shall therefore consult Parliament on these requests for urgent procedure at the beginning of Wednesday's sitting, and if the requests are approved, these items will be included in Thursday's joint debate on the Commission statement and the outcome of the meeting of the Council of Ministers of Agriculture.

Mr Gautier (S). — *(DE)* I have already written to you about this, but perhaps you can tell me now whether the Council is asking for urgent procedure on the amendment of the Sixth VAT Directive, which it approved in principle at its 921st sitting in connection with the dismantling of monetary compensatory amounts.

President. — We have had no notification of this, Mr Gautier.

Mr Seal (S). — Mr President, did I hear you, in that long list of items to be added, slip in one by Mr De Gucht on urbanization in the Third World and shanty towns? And are you proposing that that report be taken this week? If so, when?

President. — Yes, Mr Seal, you heard correctly. The report is without debate.

Mr Seal (S). — If I might refresh your memory, Mr President, this report was originally intended to be drawn up by the Committee on External Economic Relations, and I was to be rapporteur. You and the Bureau felt that the report should go to the Committee on Development and Cooperation but that there would be an opinion from the Committee on External Economic Relations. That has not happened, and while I do not want this report to fall at this time, there are certain amendments to it which I feel are essential. If the rapporteur is willing to accept these amendments, then I could support the report going through without debate. Unfortunately, the rapporteur does not seem to be present. He was not at his group meeting and is not here in the House. Therefore, may I ask that a decision on this particular report be taken by the House tomorrow after I have had time to consult the rapporteur to see whether or not he is willing to accept the amendments I have tabled?

President. — There is nothing new about it, Mr Seal, but if there is a request to discuss this De Gucht report, it will automatically be sent back to committee. The Rules are quite clear.

Mr Seal (S). — That is exactly the point. If the rapporteur is willing to accept the amendments which were discussed and accepted by the Committee on External Economic Relations, then this report will be able to go through without debate. But if the rapporteur is not willing, then I feel there should be a debate. However, that decision cannot be made until the rapporteur arrives.

President. — Mr Seal, the report is now on the agenda without debate.

Mr Seal (S). — Not yet.

President. — Yes, it is on the agenda without debate. But if a political group or a number of Members want a debate, it can still take place. But it will not take place at this part-session and so will automatically be referred to committee. So you still have the opportunity to discuss with Mr De Gucht whatever you want, and we shall see the outcome. If it leads to the need for a debate, we can have the debate but, as I said, not during this part-session but at a later part-session.

Mr Seal (S). — With respect, Mr President, I do not want to go on about this, but this report is not yet on the agenda. It is just something you have put to the House and we have not yet made a decision. I just cannot accept it when you say it is on the agenda and we have not yet voted on it. What I am asking is that you defer this decision until tomorrow and then the

whole thing can be cleared up one way or the other. That is what I am asking you to do.

President. — Mr Seal, I have to propose the agenda for the rest of the week. This is part of it. I propose that the De Gucht report be taken without debate. You say there may be a problem. I say there is no problem because we must apply the appropriate rules, i.e., reference to committee and discussion of the report at the May part-session. So there is no problem whatsoever.

Mr Seal (S). — On a point of order, Mr President, you have already set a precedent...

President. — Mr Seal, may I advise you to read Rule 34.

Mr Seal (S). — I have done, Mr President, but you have not.

Mr Pearce (ED). — Mr President, may I say something under Rule 67 concerning the situation about Mr Enright's report and what happened and what he said about us? I would like to assure Mr Enright that the majority of this group voted the way it did, not because we are lackeys of South Africa and certainly not because we are in any way disrespectful of his report. It was simply the feeling of the majority of Members in this group that we did not want to extend the agenda. I would also like to tell Mr Enright that I personally voted for the inclusion of his report on both occasions when you called the vote, as did quite a number of other Members in my group.

President. — I take it that that was a personal statement.

Mr Enright (S). — I wish to make a personal statement, since my name has been mentioned, Mr President.

President. — That is not sufficient reason, Mr Enright.

Mr Enright (S). — I am the rapporteur, and it would seem that there is some conspiracy here. If Mr Pearce is allowed a personal statement, Mr President, I think I am, but I will accept your ruling.

(Parliament adopted the agenda thus amended)¹

4. *Waiving of Parliamentary immunity*

President. — The next item is the report by Mr Donnez, on behalf of the Legal Affairs Committee, on a request for a Member's immunity to be waived (Doc. 1-123/84).

¹ On the time-limit for tabling amendments, see the Minutes.

Mr Donnez (L), rapporteur. — (FR) As I have said on several occasions in the past, when it comes to applying certain principles there is one matter on which we must stand absolutely firm, and that is on the exercise of our right to waive or not to waive parliamentary immunity; I also recall saying in the same context that, having adopted these principles as our own, we owed it to ourselves to adhere to them rigidly, irrespective of the political allegiance of the Member concerned; were we to be too ready to make exceptions we would simply be exposing ourselves to the charge of inconsistency in the application of the law.

This is what I refer to in my report as establishing our own case law, although I accept that it is not entirely correct to call it that and the term should really only be used when referring to the legal decisions handed down by our national courts.

Let me now go over the facts relating to the proposed legal proceedings against Mr Blumenfeld.

Legal proceedings begun by the Hamburg Public Prosecutor's Office sought to show that the firm of Hansa, a public relations and market research company, had received payments for research carried out on behalf of certain German companies, but that these reports and consultations were in fact fictitious and were simply a cover to enable these German companies to enter on their accounts as legitimate business costs certain contributions destined ultimately to be paid into the Hamburg branch of the CDU.

Since, under German law, such actions constitute either a criminal offence or a contravention of the tax laws, the possibility is currently being considered of bringing charges against the officers of Hansa, in particular against Mr Blumenfeld who was director of this company from 1974 to 1978 according to the German judicial authorities or from 1974 to 1977 according to Mr Blumenfeld.

Those are the facts. And whilst it is not of course for us to say if the facts are as stated or if they are false, as Mr Blumenfeld maintains, it is for us to say whether or not such actions should be covered by parliamentary immunity in accordance with the provisions of the Treaty and its annexes.

The principles involved are familiar to us all. Members of the European Parliament enjoy the same immunities that are accorded to Members of their national parliament and these immunities apply during the sessions of the Assembly. A judgment by the Court of Justice states that the European Parliament holds an annual session and that its Members accordingly enjoy parliamentary immunity even during the periods of adjournment of the session.

Parliament's practice, in other words the consistent application of its principles, which constitutes what might be termed 'case-law', is now well established and can be summed up in one sentence: parliamentary immunity is not a privilege but a guarantee of the independence vis-à-vis any other power given to the institution of Parliament and to each of its Members.

We have decided on several occasions that in all cases where the acts of which a Member is accused are of a political nature or are linked with political activities, parliamentary immunity should not be waived even if the Member concerned himself desired it.

It is our duty today to uphold these principles derived from case law, even if they differ from those of the national parliaments.

Clearly, in the case in question, Mr Blumenfeld was not acting as a private individual — indeed this fact is not contested — but as an officer of the Hamburg branch of the CDU.

There is therefore at the very least a connection between the acts of which he is accused and his political activities.

There is a striking similarity between this case and that of Mrs Herklotz, whom the German judicial authorities at the time had accused of irregularities in the management of an association of which she was president and of diverting funds to the SPD, to which she belonged. On the basis of Mr Fischbach's excellent report we decided then not to waive Mrs Herklotz's parliamentary immunity.

The same should now apply to Mr Blumenfeld especially as, given the delay in instituting legal proceedings against him, had Mr Blumenfeld been a French citizen, he would have been protected by the three or four-year statute of limitations, depending on whether the charges brought against him were of a criminal nature or to do with tax evasion. Clearly, in this matter as in any other, complete equality of treatment, irrespective of nationality, is of the essence.

I hope that this brief explanation will persuade this House to follow the recommendation of the Legal Affairs Committee not to waive Mr Blumenfeld's parliamentary immunity.

(Applause from the centre and from the right)

IN THE CHAIR : MR PFLIMLIN

Vice-President

President. — The debate is closed.¹

¹ For the vote, see Annex.

5. Internal European market

President. — The next item is the report by Mr J. Moreau and Mr von Wogau, on behalf of the Committee on Economic and Monetary Affairs, on the need to implement the internal European Market (Doc. 1-32/84).

The following oral questions are included in the debate :

— by Mrs von Alemann, on behalf of the Liberal and Democratic Group, to the Commission (Doc. 1-18/84):

Subject: Regional policy and transport policy at the Community's internal frontiers

The regions at the Community's internal frontiers have a special role to play in European integration — they can provide an example of, and act as a model for, successful integration. They form the points at which the Member States must weld together if the European Community is to be more than just a free-trade area.

More urgently than ever before the Community needs a comprehensive regional policy which gives high priority to the regions at the Community's internal frontiers.

When will the Commission submit appropriate proposals so that areas on both sides of the Community's internal frontiers can become real communities?

Is the Commission willing to take into account, among others, the following aspects of regional and transport policy in its proposals:

- joint development of the transport network, including cycle lanes and paths;
- improvements in the energy and water supply systems;
- transfrontier cooperation on regional planning decisions;
- tuition in the language of the neighbouring country in border regions;
- equal access to certain public services for nationals of neighbouring countries, e.g., hospitals, doctors and specialists, ambulances;
- coordination of emergency services in areas on both sides of frontiers;
- establishment of joint refuse processing plants in order to reduce costs and avoid an additional burden on the environment;
- establishment of an adequate number of frontier crossing-points with generous opening times?
- Will the Commission provide an institutional framework in its proposals for such coopera-

tion and integration of border regions in the form of joint inter-regional bodies?

What has the Commission learnt from cooperation in the regions?

Can the Commission confirm that the results of such cooperation are encouraging and that they also provide pointers for action in comparable regions?

— by Mr Rogalla and others, to the Commission (Doc. 1-19/84):

Subject: Easing of controls for travellers at borders within the Community

1. Is it true, as reported in the press, that the Commissioner responsible, Mr Narjes, has complained about the intransigent attitude of the interior ministers of the Member States in their handling of the Commission's proposal for a resolution on the easing of controls for travellers at borders within the Community?

2. Which interior ministers are putting up resistance and what arguments do they advance? What figures or systematic studies have the interior ministers concerned produced in defence of their reservations? Is it possible for the European Parliament to be given access to them?

3. If this does not prove to be possible, does the Commission intend to publish a white paper so that anyone interested, in the Member States, may give his or her view on these questions and perhaps make his or her own suggestions as to a solution?

4. How often has the responsible member of the Commission and the President of the Commission visited the national interior ministers in the last two years in order to help overcome such reservations in direct discussion?

— by Mr van Aerssen and others, on behalf of the Group of the European People's Party, to the Commission (Doc. 1-20/84):

Subject: Everyday frontier problems in the regions either side of Community internal frontiers

The regions either side of Community internal frontiers have a particular role to play in European integration: they can serve as an example and model of successful integration. They represent the points at which the Member States must grow together if the European Community is ever to be more than just a free trade area.

It is more important than ever today for the Community to have an overall regional policy in which the regions either side of Community internal borders enjoy high priority.

President

When does the Commission intend to submit proposals to create a genuine community across internal Community frontiers?

Will the Commission describe in detail its policy on the following most common everyday problems encountered at frontiers:

1. *Border opening times*

Why do frontier regions frequently not have a sufficient number of border crossing points which are open at times suitable for local transfrontier traffic? Why are the border crossing points which are open day and night often so far apart? What can be done for people living near frontiers to alleviate this situation?

2. *Commuters*

Workers commuting across frontiers are frequently at a disadvantage as regards their *tax* and *social security* position. Can transfrontier workers who are currently subject to the social security and tax provisions of the host country not be allowed to choose whether the system in their country of residence or country of work is to apply?

3. *Health care*

Can provision be made in frontier regions to ensure that the appropriate authorities guarantee that in the case of accidents there is *complete* availability of health care services on both sides of the frontier and that the cost of transport to hospitals in neighbouring countries can be claimed in full? To what extent can form E 111 be used in the Community?

4. *Transfrontier assistance in the event of accident or disaster*

Do the constitutional laws of the Member States preclude formal Treaty arrangements?

To what extent is the insurance cover provided by regional authorities in frontier regions sufficient for the transfrontier use of manpower and materials?

Should there not be harmonization of legislation in neighbouring countries (traffic regulations, use of radio, refund of expenses, helicopter rescue services, etc.), so that there are no bureaucratic obstacles to transfrontier assistance?

5. *Delays at frontiers and checks*

Is the Commission aware of the considerable number of complaints about long delays at border crossing-points, particularly at the weekend and peak traffic periods, and what does it intend to do for the irritated citizens

in frontier regions? Are border checks to continue on the same, or even a greater scale, as some Member States regrettably continue to advocate, or would it not be more sensible and economical to introduce on an experimental basis the system of internal controls used in the Benelux countries?

6. *Freedom to attend academic establishments in a neighbouring country*

Why is it not possible for students to attend academic establishments in a neighbouring country, particularly colleges, when there is sufficient capacity, for their entire period of study without the students suffering financially or encountering difficulties as regards recognition of their qualifications? Would it not be worth considering changing the present inflexible national educational legislation insofar as it relates to academic establishments near borders to make it more flexible and thus more suited to people's needs, in particular as regards the recognition of qualifications but also the use of road vehicles by foreign students?

7. *Transfrontier hiking routes*

Should there not be a more tolerant approach to enable the transfrontier cycle and hiking routes which have been planned for a long time now to be created?

8. *Postal delivery times*

It often takes longer for post to reach the neighbouring border region than to travel between the capitals of the Member States, and we would therefore ask whether postal delivery systems in the frontier regions could not be adapted to the real needs of these regions without such measures affecting the autonomous powers of the post office authorities.

9. *Travel documents*

How can it be made even easier for the population in the border regions to cross frontiers or how can existing opportunities be widened, such as extending the period of validity for group visas or reducing passport fees, which in some cases are very high?

10. *Postal charges for daily newspapers*

Does the Commission see any way to harmonize the costs for delivery of daily papers on both sides of the border in the regions of Europe so as to meet the linguistic and cultural needs of the population, which is frequently bilingual, or to promote bilingualism?

President

11. *Frontier regions as defined in customs legislation*

Why is the population of frontier regions as defined in customs legislation systematically placed at a disadvantage as regards countless fiscal measures *vis-à-vis* the population resident outside such frontier regions who nevertheless live in the general area? Should not the entire population of frontier regions have the same rights as regards customs exemptions as any citizen resident outside these frontier regions? Cannot the whole concept of frontier regions in customs legislation be abolished?

12. *Border obstacles to goods traffic*

Does the Commission really appreciate the difficulties which still exist despite the European Community for transfrontier goods transport at internal frontiers? Should these regions not in fact have an exemplary system of customs processing, vehicle checks and accompanying documentation and veterinary and plant health controls which can later be transferred to other border crossing-points?

13. *Restrictions on driving schools*

Should not driving schools located near frontiers not have the right to instruct their pupils *without restrictions* on both sides of the internal frontiers?

14. *Special levies on transfrontier bus transport*

The legislation concerning levies on transfrontier bus transport in border regions produces enormous distortions of competition because of the different rates of petrol tax and special levy regulations in the Member States. What can bus companies look forward to in the near future as regards fairer competition as a result of local compensatory measures in the regions?

Given these everyday problems and the fact that the Council of Europe has developed a coherent conception of the role of the frontier regions, can the Commission answer the following fundamental questions:

1. Does the Commission intend to include in its proposals joint inter-regional institutions to ensure cooperation and integration between frontier regions?
2. What insights has the Commission gained from cooperation in the frontier regions?
3. Can the Commission confirm that the results of cooperation in these regions are encouraging and at the same time provide an indication of how work should proceed in similar areas?

Mr J. Moreau (S), rapporteur. — (FR) Today, when everyone is talking about the process of European integration hitting a crisis, when everyone is talking about the need to relaunch the Community, and following Parliament's adoption of the Herman report on relaunching the economy to bring about a European economic recovery, our report on the necessity of creating an internal market comes at just the right time. To be convinced of this, one needs only to look back on the recent problems at certain frontiers of our Member States. This report is therefore highly topical. It is the result of a joint effort by the Committee on Economic and Monetary Affairs. We have tried out our ideas on governments, on parliaments and on bodies responsible for standardization in all 10 Member States. Finally, in a joint meeting between the Committee on Economic and Monetary Affairs and representatives of the national parliaments, we were able to have an exchange of views. In other words we have adopted a completely new approach. In addition we have attempted in the body of the report to offer solutions to our current problems. I doubt if anyone today would question the need for a single large internal market encompassing the whole Community. But recognition of this need is not sufficient in itself, for the same words can mean different things to different people and, moreover, it is possible that some people may, while ostensibly having the same objectives, be pursuing different goals.

Europe needs a single internal market. But this is not enough on its own. What is in fact the fundamental problem facing us at the moment? The problem is to know whether or not Europe is capable of rising to the great challenge of providing every one of its citizens with a job while still remaining competitive, or, to put it another way, is Europe capable, or will it be capable, of meeting the challenge of the third industrial revolution?

We all know the cost of what is referred to as the 'non-Europe', which, according to the Commission's calculations, is equivalent to 2% of our GDP. I do not propose to pursue this point because it is one that has been aired repeatedly in this Parliament. The notion of a genuine internal market is not just a Eurocratic pipe-dream but a vital necessity if the Community is to gain in strength and have the means to pursue economic and social development.

We all know that the problem of how to produce and how to get things done is a fundamental one. An integrated internal market would provide the necessary framework for innovation, creativity and initiative to flourish. Europe must generate new products, and that requires a market to match. We also need to lay solid foundations for the industries of the future. But let us make no mistake: the attainment of a vast internal market is not an end in itself but a means whereby we can give shape and form to a political will to meet

Moreau

present-day challenges. It is a useful framework for the industrial strategies worked out within the European institutions. What is needed on top of that is the will to act in concert. Without an integrated internal market there can be no industrial development and Europe would then effectively be excluded from certain strategic or important sectors.

The various proposals contained in our report have to do with the free movement of goods, persons, services and capital, the simplification of customs formalities and documents, certification procedures, the setting up of procedures for laying down European standards, procedures for tax harmonization, the elimination of technical barriers to trade, the opening up of public supply contracts; all these measures have one goal in view, which is to genuinely enable the attainment of a market free of obstacles of every kind.

But, as I was saying earlier, what is needed above all is the political will, and also a proper commercial policy. I take the liberty of making this point even though we touch on it only very briefly in our report. However I believe that I am expressing the feelings of the Committee on Economic and Monetary Affairs when I say that the notion of an internal market is inseparable from that of a common commercial policy, in the same way as the external market and industrial strategy are also linked together.

Twenty-five years after the Treaty of Rome we still do not have a properly unified and integrated Community market. We are of course disappointed, but we should not give way to despair. We know that there have been some positive results, but that these are not good enough; but I should not like, for my part, to allow it to be said that everything has been a total failure. We have the beginnings of an internal market: what we need to do now is to go much further, and above all move along a lot faster. And I believe that that is the essential purpose and value of our report. After everything that has been happening to us recently, this report comes at a time when we are in a position to step up the pace a little, and I am bound to say that, since the Stuttgart and Copenhagen Councils, a great deal has been achieved, even if there was a time when we were disappointed at the failure of the Council of Ministers to go as far as we would have liked; we do believe in other words, that some progress has been made. For my part I hope that by an overwhelming vote in favour of the report which we present to you today on behalf of the Committee on Economic and Monetary Affairs, we may succeed in accelerating progress and in persuading the Council of Ministers to move a great deal faster.

Indeed, we are running short of time and I believe that today, however much scepticism there might have been in certain quarters concerning the European Parliament's desire to set up an integrated

internal market as quickly as possible, there is no longer anyone who would question the vital necessity of a genuine integrated Community internal market.

Mr von Wogau (PPE), rapporteur. — (DE) Mr President, honourable Members, the report now before you is the result of four years of intensive work. First came the Committee on Economic and Monetary Affairs and the working party on the removal of technical barriers to trade, which submitted a large number of proposals. Then came Parliament, which was at last prepared to give a certain priority to this question of opening up the common market. Then came the Commission, in particular Commissioner Narjes, who was responsible for a large number of practical Commission proposals, most of which are now at the stage of implementation. Then the presidencies, especially the English and German presidencies, decided to give this matter great priority, and we should not underestimate the importance of the delegation which our Parliament sent to the parliaments and governments of the Member States to discuss some of the proposals formulated here with them and to convince them of their value.

I note with pleasure that today we have a broad majority in favour of the main proposals of this report. And it is encouraging to find that a broad majority covering all the groups of this Parliament is in favour of Europe and the realistic further development of the Community.

But this report is also addressed to those who keep saying that Europe is expensive, for it makes it clear that non-integration is even more expensive. For instance, European firms have to spend 12 000 million ECU each year to cross the European Community's internal frontiers. A further 40 000 million ECU, as calculated by Albert & Ball, cannot be saved because the Community and the individual States, especially the national States, do not buy European in the field of future technologies but instead only buy at home. A further 2 400 million have to be spent each year to change money in the European Community, because so far we have not managed to achieve monetary union. Adding up all these sums we get the figure of 54 400 million a year, which is the cost of non-integration. That is twice the budget of the European Community. It is three times the cost of the European agricultural policy. If it wants to save this money, the Community need only do its homework and apply the Treaties of Rome, and that is what it should do at last.

The procedure which Parliament and the Committee on Economic and Monetary Affairs have chosen to follow is now producing its first results. The direct talks with the national parliaments and governments were most useful there. What has been achieved to date are small steps, but they are steps in the right

von Wogau

direction. Firstly, the procedure for mutual information between standardization institutes is now being applied and represents a major step on the road to European standards. Moreover, the Commission is now for the first time testing the procedure of reference to technical standards which we requested. Moreover, the tank certificates for lorries and buses, which are quite unnecessary, are to be abolished on a large scale and we shall urge, jointly with the Commission, their total abolition by 1 July. We have also managed to make it considerably easier for craftsmen to cross frontiers with their tools. Lastly, we can note that the decision to introduce a European passport has now been taken, that the tax-free allowance for travellers has been raised from 210 to 280 ECU and that the first special priority channels for Community citizens are being set up at various Community frontiers.

Those are the first and major successes of the European Parliament's activities in this field. We must continue along this road, however. We do not need harmonization, but we do need an approximation of VAT rates and of the duties on tobacco and alcohol. As a first step, VAT collection should be moved away from the frontiers. We need a uniform document to replace the export, transit and imports documents in the European Community. We need, as is requested in this report, a Community customs code, a Community customs training centre, and further steps to create a common customs authority; for one third of the European Community's actual revenue, the customs and levies, are collected at the external frontiers. Taking a long-term view, it would therefore be useful to have this carried out by a common European authority. We need to develop European standards and European patents, and we need the European trademark, which we have called for and proposed, and which is already on the table as a proposed resolution of the European Commission.

If we want to stand up to the competition from Japan and the United States, what we need above all is a common market for new technology. Only if we take these steps will we advance along the road to a common Europe of the citizens and make our own specifically European contribution to overcoming the stagnation and unemployment.

(Applause)

Mr Rogalla (S). — *(DE)* It is true that our frontiers are open, yet we all have to stop so that a green man in his little hut can leaf through our passport. Ladies and gentlemen, five years of battle in this House, without distinction between groups, against the green man in his little hut and for the freedom of movement guaranteed by the Treaties since 1958, are now reflected in the Moreau and von Wogau reports we are debating today.

Speaking on behalf of my group — as you will all surely understand — I want to stress the question of passenger travel and the problems directly affecting the citizens when they cross frontiers. A great deal of work has gone into these reports and it is obvious that this work can only be regarded properly if we make rapid further progress along the road on which we have embarked.

But may I make one critical comment. Is it not characteristic that over this period of time, in these five years that we have been working in the European Parliament, the Council has not managed to put into force — and I hope I am not mistaken here — a single important Commission proposal? I am saying, put into force. Of course we can kid ourselves that we have managed to put on a bit more pressure in the last two years. Some things have been achieved, as Mr von Wogau has pointed out; but if we look at the extremely solid legal bases, especially Articles 9 and 3 (c) of the EEC Treaty, and the valuable reports on the subject which have been appearing for years, then I think the result is still modest — or, to put it more positively, we know we are good, but how can we become even better? We do not only mean the Members of Parliament, it also means the Commission; in the end it means the Council, which decides here.

As for the green man in the little hut — may I quickly add that he is sometimes also dressed in blue, as I am well aware — he is not the question at all. The customs inspector, the frontier policeman, simply stands there and does what is called his duty. Perhaps, and certainly in the case of the younger officials, he would prefer to be a member of the European customs authority, on which no-one has wasted any thought, neither the Commission nor the Member States. He would rather exchange his post on the frontier near Niederdorf with a sunny spot in Italy, let us say in Brindisi. Nothing has been done in that area yet. There are no proposals, no steps towards a European customs authority, a European drug squad or anti-terrorist squad.

Heinrich Heine would not hear 36 monarchs snoring today, instead he would hear countless male and female presidents and ministers and civil servants in all the Member States. They are snoring loud and deep — for in his time Heinrich Heine was not on the Brenner Pass but on the Gotthard — those civil servants who are in love with failure and whom we always imagine sitting in a safe place, pencils poised to express another and yet another reservation. Then there are the Sunday speeches and the constant demand for words to be followed at last by deeds; no more lip service, they say, we want something to be done now.

Rogalla

Note well, the legal bases have existed for 25 years, yet the engines are still changed when trains cross from Belgium to Luxembourg or France or Germany; highly-paid customs officials are still counting the holes in the cheese; surety of DKR 15 000 still has to be paid if someone would like to work as a plumber in neighbouring Denmark; taxes are totted up by fully-grown ministers because they say one litre of diesel fuel costs a few pennies more in one country because the taxes there are higher, which is then used as a justification for — just listen to this — disadvantages in competition and surveillance measures. Finally the idea of Benelux going it alone is put to the people as an electoral weapon for the European elections and people discuss for how many hours the customs barriers should be raised to give a better impression. No, we will still have to deal with the green man in the little hut for a long time.

Perhaps I should also mention driving licences. Until now a German national living in Belgium who retains his Belgian residence while registered in the Federal Republic could at least obtain both driving licences. Now the bureaucrats have hastily erased that from the relevant regulations.

I said that we will still have to reckon with the green man in his little hut. It may be that he will retreat a little in the next few weeks, behind some tree not yet damaged by the acid rain. Why does no-one protest against a system of surveillance which conflicts with the EEC Treaty? After two and a half years of trench warfare against a senseless and illegal Customs-Zoll-Douane sign at the internal frontiers, I am not discouraged but I have become thoughtful. Is it really necessary to fight this trench warfare against power-mad bureaucracies, people against whom I have nothing personal at all, but whose activity puts a brake on progress? The real heroes of the integration of our Europe are not, unfortunately, to be found in Strasbourg. They are the lords of the roads, the lorry drivers. Let me take this occasion to thank them. They had courage, while we can only adopt a resolution.

Let us note one thing: the Brenner is not in Italy, it is on the Seine, on the Thames, on the Rhine, wherever political Sunday speechmakers bring no progress and then wonder why the citizens place so little value on our necessary cooperation.

A so-called customs union was constructed over a period of 25 years — yet we allowed the national customs structures to remain. Do you know that in fact there are two customs structures in every Member State, a Community one and a national one? It is scarcely credible! The internal market is anything but an heroic feat!

Finally, let us come to the Commission. None of what I am saying is meant personally, and there is no doubt

that the present Commissioner responsible for the internal market has been by far the most active in the last 25 years. How many customs frontier areas are there in the Community, and how much could be done there! Any customs official at any internal frontier can still do his duty and detain Members of the European Parliament for 70 minutes and torment Commission officials for hours. If this were not so serious a matter, one could only wish that it would happen one day to the President of the Council or of the Commission or to a Foreign Minister or President.

All this is superfluous. I would advise the Commission to be much stricter. Base your action on the Treaties! Hold reading lessons on the simple provisions of the Treaties and do not cease making ambitious and far-reaching proposals to teach the meaning of fear to the officials and experts on the Tiber, the Seine and the Rhine.

I do not want to close without describing the traffic in my district to you, a European problem of arithmetic, in a so-called frontier district. The engine that has to be changed is linked to the veterinary surgeon, who is linked to the plant psychologist, who is linked to the customs official who has to levy the import turnover tax, who in turn is linked to the federal frontier guard or security man, who is linked to the environmental protector, who is linked to the vet, etc. etc. That is what the so-called modern frontier district looks like.

The Socialist Group is against all the amendments tabled. Instead we would like to make the simple proposal that for once during the meetings of heads of State and government we should swap cars and park a Mercedes in the car park in England and a Rover or Renault in the Federal Republic of Germany.

In conclusion I want to quote Tucholsky, who wrote as early as 1932: 'There lies Europe. That is what it looks like; like a multicoloured madhouse. Nations slave away at record speed. Export, export. Those are the others, the others. We, however, have boundary posts, custom houses and import certificates, we do not let anything in, however small. Not us! We have an ideal; we are out of work but extremely national!'

(Applause)

Mr Herman (PPE). — *(FR)* Mr President, in this week's excellent issue of *Kangaroo News* we read with amazement the Council's reply to a written question by Mr Rogalla: 'The Council is convinced that persons subject to frontier checks are perfectly well aware of the reasons which justify these checks, and accordingly, the Council does not share the honourable Member's fears'.

Mr President, ladies and gentlemen, may I suggest that Parliament, with due solemnity, award the booby-prize to the author of this incredible tripe. Only a technocrat who has never been outside his office or crossed a frontier could have put his name to such a

Herman

statement. I can scarcely believe that a politician who is in any way in touch with his electors could be capable of assuming responsibility for this kind of declaration.

At a time when we are debating the excellent report by Mr Moreau and Mr von Wogau, nothing illustrates better the great gulf that exists between the citizens of the Community and the bureaucratic experts of Coreper, for the sad truth is, ladies and gentlemen, that while the ministers sit and talk, Coreper are left to get on with it.

I urge the Council of Ministers to be careful lest, one day, following the example of the enraged lorry drivers, the better-informed of our citizens finally grasp the fact that what stands between the fulfilment of their aspirations for a better future and the present painful reality is your blindness or your impotence, since you leave them no other option.

Needless to say, our group wholeheartedly endorses the excellent report submitted by our two colleagues and we shall be voting for it with enthusiasm.

(Applause)

Mr de Ferranti (ED). — Mr President, I think, personally, that enough real progress has been made in this field to give all of us in this Parliament an opportunity to say to our electors during the coming campaign that these five years in Parliament have not been wasted. We have achieved real things. If I may say with great respect to Mr Spinelli, whom I am pleased to see in his place opposite, I think that kangaroos by jumping about in a friendly fashion make more progress than crocodiles biting off Member States' vetoes!

(Laughter)

Nonetheless, we have a long way to go before the lorry-drivers, who were on strike the other day, realize what it is that we have done for them. It is a good thing that we have phased out the MCAs. That is good news. But doing the documentation for value-added tax at the frontier must be wrong. I am sorry about the decision of the United Kingdom Government and only hope they will use the breathing-space between now and 1 October for everybody to agree on the Fourteenth Directive.

Best of all is the decision by Coreper that there is now real opportunity for solving the third-country problem. If that really can be brought about, then congratulations are truly in order. That is a real victory. I believe, with its aim of saving 54 billion dollars, that is a victory for the whole Community. In particular, it is a victory for this Parliament. It has tackled this difficult, politically unattractive subject with determination and has raised its significance, and we have got decisions made. Congratulations to Parliament! And congratulations to the two rapporteurs! That our own committee chairman, Mr Moreau, came

round all the capitals with us was a tremendous achievement, and we have a lot to report on with real pride. Mr von Wogau, too, who has just made such an excellent speech. I hope, while I am offering congratulations, that I can also congratulate the editor and the staff of *Kangaroo News!*

(Applause)

This newspaper has refreshed parts of Member State capitals that no other newspaper can, or does, reach. And in thanking them I would like to thank all the kangaroos who have given unstinted support during all these months and years.

I would like to congratulate Commissioner Narjes as well. I am very pleased to see him in his place. I do not believe he has had the support from the Commission that his efforts deserve. He should have had more backing in the way of staff and resources to do this, the most important single job that faces the Community.

Unusually, Mr President, I want to congratulate the Council — particular the Council secretariat, whose inventiveness and dedication has gone a long way to producing some of the answers now before us. And even, if I may say, the role of the United Kingdom Government, which has been very helpful in bringing the different views of France and Germany together on this most difficult subject. And I have to say, Mr President — it would be false modesty if I did not — that I would like not to disclaim any responsibility for having got where we are myself. It required five years of persistence and determination and, worst of all, running the risk of boring everybody to tears. But we have achieved results, and as far as I am concerned persistence and determination must continue for a very long time before we really bring this victory home to roost and I am sure everybody will continue to work on it as hard as they have so far.

(Applause)

Mr Bonaccini (COM). — *(IT)* Mr President, ladies and gentlemen, our political party — the Italian Communists — took part in this work, which was so long and complex. We voted in favour in the plenary assembly of our Parliament.

We shall vote in favour above all because para. B of the resolution identifies exactly, in our view, the role that it is destined to play: it can in fact make — it is said — a valid contribution, in dealing with the various problems arising in this sector. There is, therefore, an awareness of the series of commitments that have to be promoted in the other national and Community institutions: complex legislative and administrative commitments on the part of the individual States, which will not be easy of fulfilment, as experience shows.

But, for that every reason, a contribution of this kind can only be considered as one part — an important part — of course, as members have already pointed

Bonaccini

out, and I am not going to repeat the excellent things that they have said — of a more general picture, that of the will to relaunch the Community and to establish its essential foundations. In other words, with this resolution Parliament offers to Member States and the Council a basis of will and determination which, if properly understood, can be the launching pad for considerable progress.

Quite by chance I saw a few days ago, on Italian television, the German Chancellor Helmut Kohl in a long interview given at the European People's Party Congress. Much of the interview was devoted to these very questions: he said a number of things with which I am in full agreement, and was also severely critical regarding the obstacles to free movement. I would be less than sincere if I did not say that I should have appreciated this interview a great deal more if he had added some comments regarding the obstacles — not road obstacles, but monetary ones — that prevent the implementation of the European Monetary System, obstacles on which he may perhaps be adequately informed: and bearing in mind also in this connection all the things that, for example, Mr Rogalla very rightly said, and which concern — and here I should like to clarify one point in the resolution — not only the neighbouring and frontier zones, but the whole of the life of our Community.

We shall welcome, when it comes to pass, the removal of all obstacles, technical and so-called technical. But let us move decisively towards the preparation of common policies, which will enrich the common heritage of the European Economic Community in the industrial and commercial fields, so that the tendency to turn back will be eliminated once and for all. The more so since we are dealing — as all members know — with new types of obstacle, that are due to the very nature of this market, which is very different from the one that may have been described originally by the Treaties: a market that is 'ultra-hyper-organized' on the basis of quotas in many sectors — man-made fibres, steel, milk — and we do not know to what extent these may be temporary; a market, therefore, which, in the long run, may seem more Malthusian in character than one capable of working out and inspiring energetic joint action. Hence the need for further examination of these questions, and vigilant attention on the part of every one of us.

Mrs Tove Nielsen (L). — *(DA)* Mr President, the citizens of Europe expect us to accomplish the task they have set for us, namely to make everyday life and the future better for us all. When I travel round from meeting to meeting, there is one thing that strikes me. We should be glad that in Europe we have citizens who have the will to get us out of the mess we are in and who have their capabilities in order. They want to be involved in producing goods we can sell; in this way we can create better conditions of competition so

that we can put our economy in order. But those same citizens come up against a host of problems which make their daily lives more difficult than is necessary. And that is where we, their elected representatives, have a very important task, in that we have to watch the Commission and the Council of Ministers to ensure that something really gets done here.

Paradoxically, in 1983 we talked at amazing length about the large number of small and medium-sized businesses; we did so with good reason, for we know that it is precisely in this important sector that we have the best chances of creating new and lasting jobs. It is here that we can most quickly and most easily bring about a restructuring which will permit the production of new products and hence facilitate the creation of more jobs.

But regrettably we have to recognize that it is precisely this sector — that of the small and medium-sized businesses — which has the greatest problems of all. To start with, many of them have difficulty getting together the necessary capital and, when they do hit upon a new product which is really good and competitive, they can be almost 100% certain that the requirements in respect of one and the same model differ from one Member State to another. This means that such firms find themselves in an utterly unreasonable situation, and many have lost both their will and their get-up-and-go. We must therefore do something to prevent the profusion of standards, norms and requirements for approval, so that it is possible to make a product which can be sold under exactly the same conditions, regardless of which Member State is involved. In so doing we shall assist in creating a better existence and a better future for all our citizens. It is wonderful to have visions which are easy to put down on paper, but our first and most important task should be to solve the day-to-day problems, for in solving them we also assist in creating the future which the voters wish us to create for them.

The Liberal Group therefore welcomes the report, Mr President, which has been drafted by the Committee on Economic and Monetary Affairs. We shall support it for we believe that, by leaning on the Council of Ministers and the Commission, we can secure the removal of some of the obstacles which have so far prevented us from solving the very basic problems. We must meet the challenges in new technology and use it, assist in creating new products and hence new jobs. That is what is needed, but the problems on the internal market must be solved in order that this can be achieved.

(Applause)

Mrs Nebout (DEP). — *(FR)* With your permission, Mr President, I shall now put forward one or two ideas which were to have been presented to you by my colleagues in the Group of European Progressive Democrats, Mr Deleau and Mr Cousté.

Nebout

For some time now the planners of today have been wrestling with Europe's great political problems, forgetful, it would seem, of the real Europe which, day by day, has been gradually, patiently, laboriously taking shape; forgetful also of the Europe of industries and consumers, whose task, since the earliest days of the Community, has been first to create the common market and then to make it work. But what meaning can a political Europe have unless there is first a genuine common market? Paradoxical as it may seem, persons engaged in business, goods and capital are not yet able to move completely freely — far from it. If it is a fact that the formation of the customs union did not get rid of all tariff barriers to trade, it is also true to say that non-tariff barriers have been kept in place, and in addition to these we now have administrative barriers as well.

European public opinion is conscious that all is not well, conscious also of the failure so far to attain a truly common market. Mr Moreau and Mr von Wogau, in their reports, put their finger on the problem very well. Both rapporteurs put forward concrete solutions to remedy the situation as regards the free movement of persons, goods and capital, and also as regards the opening up of public contracts and the question of a European patent.

These are important and detailed proposals which, for lack of time, I cannot go into further right now.

As I see it, there are two essential ideas for attaining a common market: the removal of technical barriers to trade and the opening up of the internal market.

Since 1969 the Community has been trying to harmonize existing standards in the Member States in order to remove the obstacles which restrict trade. The customs union is not enough. Indeed, the abolition of customs duties and of the import quota system has done nothing to resolve the problem of technical obstacles resulting from the differences between national standards which create other very much more serious obstacles to trade.

After all, to create a barrier to trade, all it takes is for an official in any one country to draw up a technical standard which is incompatible with the relevant standards of the other Member States. In times of economic difficulty, national standards may be drawn up with the unavowed aim of protecting national production: products originating from other Member States can be kept out on the basis of the new standards, or else the sale of imported products can be made subject to the granting of a certificate of conformity.

A factor of nationalization, standards should theoretically promote trade and benefit and protect the consumer by offering him a much wider choice of products at more reasonable prices. Unfortunately, this is by no means always the case.

The rapid removal of technical barriers to trade is imperative if our industries are to have ready access to a vast market of some 279 million consumers. The removal of all obstacles to trade is essential, of course; but this is not sufficient unless there is at the same time a necessary opening up of the common market: I am referring here to the opening up of public contracts and the harmonization of company law — since we rely on companies to play their part in integrating the industrial fabric of the Community.

Like Mr Moreau and Mr von Wogau, we too call upon the Council to adopt without delay the directives that have been submitted to it.

May I also make the point that the failure to attain a common market is costing the European economy dear. For example, to quote from the Albert/Ball report, the lack of a European public procurement market is costing the Community the equivalent of 10 % of its purchases; in other words, with public procurement contracts running at 400 billion ECU, the additional cost to the Community is 40 billion ECU.

I should like finally to offer two important reasons, if reasons are needed, for the necessity of a rapid unification of the internal market. Firstly, with development of high-technology industries, Europe's economic future has to come to terms with a new kind of growth which requires high levels of investment and a vast single market — an industrial area on the scale of the Community. Secondly, given the seriousness of the employment situation and the changing face of industry, it is no longer possible to disregard the vital contribution that small and medium-sized undertakings can make to growth by their unmatched flexibility and capacity for innovation.

In short, then, today's overriding priority is the unification and opening up of the internal market. Unless and until this goal has been attained, the Community will never be the economic force it was destined to be.

(Applause)

Mr Møller (ED). — *(DA)* Mr President, we are now approaching the end of a five-year electoral period. We have sat in this Parliament for nearly five years and can take stock through this report. But we must be honest: can we say that the freedom we were to create for the citizens of Europe has increased in the five years we have sat here? In what area have the citizens achieved greater freedom than they had when we were elected five years back? We had better put on our spectacles, adjust our contact lenses or take a magnifying glass to find any examples. It is true that five years have passed. It is also true that some Members have a few more grey hairs than they had when they were elected, and we have to reconcile ourselves with that as human beings.

Møller

But what have we innovated in the way of freedoms for the citizens of Europe? We have adopted a stack of resolutions, we have taken many steps in the right direction. We have worked, we have done what we could, but it is just as though the papers were merely dumped in heaps on the Council table. And they may be allowed to lie there. The Council has not followed up our intentions because the Council is in the clutches of the bureaucrats, and the bureaucrats have such a hold on the Council members as ministers in their home countries that they do not dare to set themselves free from bureaucracy. For they then immediately expose themselves to the tricks that bureaucracy can play on any human being who wants something and who becomes a minister in the countries of Europe. He quickly discovers that his will is in the pockets of the bureaucrats.

We must therefore support those who desire freedom. For the objective of this common market and of our free trade is not just commercial freedom but also greater freedom of movement in our Community. What has happened to our passport union? How much progress have we made there? We have said that there should be one passport. Everyone should be sent abroad with a European passport, but we have argued about what colour it should be, and each country has put forward its ideas and proposals on what colour would be the best. And, as far as I know, we have now ended up with something which is called Burgundy red. Last year it was Bordeaux red, but now it seems to have become rather smarter — Burgundy red; and we shall have to see what it will be next. But if we are to have a piece of paper, a book to order our lives when we travel from one country to another over and above what we had before, then it does not give us greater freedom. The State merely gets more power over the citizens of Europe, the citizens do not get more freedom. We should have followed the example I have referred to several times here, that of Scandinavia, where the passport obligation has simply been abolished, that paper which enables the State to monitor where the citizens are off to at any time and what frontiers they have crossed. The citizens should not be the slaves of the State, they should be its masters. That is why we have created this Europe. It is the Europe of the citizens which we should continue to work on.

Mr Basil de Ferranti was in such a good mood today, but he is also about to leave this Assembly, and we shall not even have him any more to lash us with his barbs or to launch his kangaroo sallies. We only have ourselves now, i.e. those of us who are re-elected, and most of us deserve to be left on the field of battle after the election, but some will perhaps rise again nevertheless, and the question is then: shall we be able to continue our endeavours? Shall we receive the good will of the other bodies which will be needed if we are to make more progress than we have done hitherto?

Mr President, that is the question for Europe, that is the question for this Assembly, before we go out for a second time and call upon the electorate to vote for our parties, for our lists, for our candidates.

(Applause)

Mr Adamou (COM). — *(GR)* Mr President, the report by Mr Moreau and Mr von Wogau is a supplement to the Herman report which we debated during the previous part-session, and has the same aim, namely to safeguard the profits of the monopolies and load the burden of the EEC's protracted crisis onto the backs of working people, particularly onto the workers and the economies of less well-developed countries such as my own.

It would of course be possible for an internal market to operate, subject to the precondition that the Community's Member States enjoyed the same level of economic development, so as to ensure the prerequisites for fair competition since competition is the governing principle in capitalist markets.

Such, however, is not the case, especially in my own country. The structural weaknesses of her economy, in combination with the tariff disarmament, the free movement of foreign goods and capital, restrict and often nullify the productive activity of Greek firms, convert Greece increasingly into a country that provides services, and extend yet further the dependent and peripheral nature of her economy. The facts are quite frightening. In the years since Greece's accession to the Community and because of Community competition 3 208 small or medium undertakings have gone bankrupt in Greece in the sector of processing and commerce, while 8 445 more have filed applications for bankruptcy in the last two years. Moreover, our balance of trade deficit with EEC countries, which was 54 billion drachmas in 1980, reached 415 billion drachmas in 1983. Our unequal exchanges with the EEC have led to increases in the country's internal borrowing and her overall foreign debt from 16 713 billion dollars in 1980, to 23 119 billion dollars in 1983, i.e. approximately 60 % of the national income.

For all these reasons we express our radical opposition to the proposals of the Committee on Economic and Monetary Affairs, and we will vote against them. With this opportunity we once again call on the Greek Government to take decisive steps to protect Greek production. Only with an independent national economic policy based on our country's needs and capabilities, and on the restoration of equal relations with all countries, can preconditions be created that will allow our country to develop economically and safeguard the interests of Greek working people.

Mrs von Alemann (L). — *(DE)* Mr President, the debate on the report by Mr Moreau and Mr von Wogau also included three oral questions, one of

von Alemann

which was tabled on behalf of the Liberal and Democratic Group, and I would like to make a few brief comments on it, since I have little time to speak.

Technical coordination obviously involves more problems than appears from grand political slogans, which then have to be put into effect. However, I also note, looking at the attendance of honourable Members that these technical problems, which in the end will surely determine the success or failure of the internal market, have not met with great interest here, which I greatly regret.

It is surely clear that the frontier regions at the Community's internal frontiers must have a particular interest in the creation of a uniform internal market, because they can serve as a model or test case to show whether cooperation has worked or not. That is why I would like to ask the Commission: Have you ever established what legal structures are needed to improve practical cross-frontier cooperation at the Community's internal frontiers? Have you collected any information on this or commissioned any studies?

My second question is whether the general public does not sometimes feel that everything is the fault of the customs officials, although in fact it is the ministers for finance who are the obstacles? Individual customs officials are hardly likely to take the trouble to treat people badly. That is a problem which in my view is put wrongly to the general public.

One more question to the Commission. Now that there are plans for a European passport, are all the countries now working on passport laws, or is that not yet the case in some countries? Surely that would be the practical follow-up to what we are discussing today. I would be interested to hear your reply.

Mr Nyborg (DEP). — *(DA)* Mr President, it is vitally necessary that we get the European home market to function as intended. We have a population base of 270 million. It should be possible for us in the European Communities to build up an industrial and trading system without parallel precisely because, as I have said, our population base is much larger than that of both the USA and Japan. That is why it is so depressing that there has been no progress. The Commission and Parliament have worked together splendidly, but there is a great lack of will on the part of the Council to bring matters to fruition. The things to which the Commission has devoted its energies and which have been endorsed by Parliament lie in Council drawers gathering dust. As Mr Poul Møller has said in a previous debate, the Council regrettably lacks the political courage to make further progress. It therefore seems to me that we Members of Parliament should agitate to secure pressure from below, through our political associations and the like. Let us exert pressure from below, so that the citizens say: we are no longer willing to put up with this, we now demand

that the common market be implemented. We can see how stupid it all is. The Commission drafted a single document with 16 headings, which was a sensible step. But before it had completed its rounds among the various governments, we were up to 50 headings, and its value is now much less than it should be. What we need is to strengthen control of our external frontiers so that we can ease controls at the internal frontiers.

Mr De Gucht (L). — *(NL)* Mr President, I believe that one of the achievements of this first directly elected European Parliament is that we have political discussions, in other words, that in a number of debates the political dividing line between what I would call the liberalizing group and the socializing group has become clear, and that is the way it must be in a parliament.

In this debate it might be thought everyone would agree that the internal market is needed. They all say as much. I have not heard a single group, or at least not a single major group, say that it is opposed to the establishment of the internal market.

I believe we must look carefully at what each of the political groups wants this internal market to consist of. I have the feeling with some of the groups that, while they are prepared to do away with various internal frontiers, they want to combine this with the establishment of a kind of Fortress Europe, against the rest of the world. I believe that would set a very dangerous precedent. I personally cannot see how a firm in any Member State could be convinced that it must be protected against the rest of the world but not protected against competition in its own Member State and in the other Member States of the Community. In other words, if we say everything should be open internally, but that we should protect ourselves against the rest of the world, I believe we shall be going further up the protectionist spiral, and that is undoubtedly something to be avoided. So let us beware of certain political groups which appear to be in favour of the establishment of the internal market.

We of the Liberal Group believe that the internal market and its establishment is a very important subject. In fact, establishing the internal market is at the moment the only thing we can do at European level without it costing a penny. All we need is the political will to demolish various barriers, all we need is the political commitment to bring this about.

While a whole range of policies, which may be needed, require money, we can earn money with the internal market. It has been shown — and I refer you to the Albert and Ball report — that, if we are consistent in establishing this internal market — and this goes for public works too — we can achieve economic results, we can make profits twice as high as the present Community budget. In other words, at this time of crisis, with 12 million out of work, we can

De Gucht

inject resources into our economy equivalent to twice the whole Community budget. Politically, the injection of twice the whole Community budget is completely impossible at the moment regardless of whether or not an increase in the budget is economically justifiable.

If, on the other hand, we have the courage to take the necessary political steps to liberalize this market, we can achieve economies of this kind, inject such sums into our economy increasing the scale of activities.

I should like to conclude with a note on Belgium, but I will make it a European note. For a country like Belgium, which earns 60 % of its revenue outside its frontiers by exporting and 75 % of this 60 % in the Community, in other words, for a country like Belgium, which earns half of its revenue in the Community, it is particularly important for all these frontiers to be opened and for us to be able to export without let or hindrance, not only to the rest of the world but above all to the rest of the Community. There are important sectors — the high-technology sectors, for example — where Belgian companies sell in Belgium and the rest of the world but not in the Community. That is a complete and utter nonsense. I believe that this must be stopped as a matter of the greatest urgency and that we must have the political will to establish the internal market as soon as possible.

Mr Narjes, Member of the Commission. — (DE) Mr President, ladies and gentlemen, may I begin by thanking the Committee on Economic and Monetary Affairs and especially the two rapporteurs, Mr Moreau and Mr von Wogau, for their excellent work; I would equally like to thank all those who have spoken in this debate. I would like to thank those who appreciated the Commission's work, thinking in particular of those in the Subcommittee on technical standards and in the delegations in the capitals who worked with such commitment for the achievement of the internal market. At the end of this Parliament's term of legislature, we regard this report as the culmination of the excellent cooperation between the Commission and the Committee on Economic and Monetary Affairs chaired by Mr Moreau.

Together we have managed in recent years to focus the political awareness and political attention of all those responsible on this central task of economic integration. That was not a matter of course before 1981. At that time we found frightening backlogs in the Council's decision-making and, above all, were faced with the danger that the wave of internal protectionist measures and non-tariff barriers to trade of all kinds would turn into a flood-tide and threaten us with a recurrence of the dangers of 1931/32. At that time we managed to put a stop to this self-destructive trend and were not afraid to exploit all the legal methods provided for in the Treaty to quell this flood.

Now the decision-making process of the Council, in its new composition as Council for the internal market, has once again ensured for a good year now that a little vitality is being instilled into the decision-making procedures.

The governments have meanwhile realized that fulfilment of the binding requirements of Community law is not optional or a purely tactical aspect of negotiations on other objectives. That is why I am particularly grateful to you for referring to the commitment under the Treaty to establish the internal market in the opening paragraphs of your resolution. As I said, we have slowly come to grips with the situation again, and I am convinced that we will soon see the light at the end of the tunnel and will discover the direct road to that light if we manage jointly to carry through the package of consolidation measures called for by the Commission and Parliament. That will determine our future successes or failures.

But let us not deceive ourselves: Only half the backlog — although that is something — has now been cleared. The other half remains. Even if the appreciable number of usually anonymous opponents of the internal market has now been put on the defensive — and that too is a success of this House and the Commission — their ability and willingness to prevent, to delay, to adulterate, remains as strong as ever.

So we must exercise even more political pressure. The willingness to take decisions must be strengthened even more, for we are dealing with a classical case, the case of implementing decisions, i.e. with a lack of policy-making, and not with any lack of ideas or feasible proposals.

In our view, Mr Moreau and Mr von Wogau chose the right path in their activities by checking out the various weak points together with the national parliaments and searching for defects and their causes. I am pleased to see, as is the Commission, that in so doing you have found a large number of natural allies. We have tried to tread the same path and in this way we succeeded in persuading the Copenhagen Summit in autumn 1982 to give us the Council of the internal market, which has been our partner in decision-making and made a substantial contribution to our successes.

These successes are greater than Mr Rogalla supposes. Nor should we hide our light under a bushel by making the success of these measures depend only on their entry into force, like Mr Rogalla, for then we would be choosing a criterion that does not do justice to the nature of our decisions. The date of the Council decision is decisive in the case of directives with their long running-in periods, and in the question of the date of incorporation into national law we should concentrate on the date of decision.

Narjes

A lot has been done and I hope that more will be done tomorrow morning in Luxembourg when the Council of Ministers gives its final approval to the 15 directives on the freedom of movement of products requiring technical approval procedures and on the so-called new trade-policy instrument. I hope that the discontent of officials will not delay this question another month or two tomorrow morning. We will at least continue along this road. By combining political appeals with the use of all our legal resources we will urge the need for progress.

It has been said repeatedly that the internal market is necessary. I need not stress this again. Without the European domestic market, European industries will not be competitive nor will we have the large uniform economic and investment area we all need for the success of our short-term economic policy strategies, which are geared not only to enabling us to calculate the current recovery more or less on a quarterly basis but also to creating the conditions for protecting us on a lasting basis by a fairly major wave of investment which will continue throughout the 1980s.

Here we have a chance we must not fail to appreciate. The market economy aspects of this question are constantly being underestimated because the officials responsible for customs matters are not usually responsible for economic policy too. If no-one knows anything about his neighbour, it is up to us to draw attention to these relationships on an interdisciplinary basis.

We need to use the European area rationally; we need an effective division of labour; and as long as we have frontiers we will not have an effective division of labour. People who have to calculate by the hour or half-day cannot do so because they do not know whether the lorry, train or inland ship they expect will arrive at their firm exactly on time. If the frontiers are not calculable, the businessman will not be able to opt for cross-frontier transactions because the risks involved would be too great.

I repeat here what I have said on several occasions: renewed confidence in the viability of the internal market depends on whether the Member States for their part can create renewed confidence in the seriousness of their endeavours to create this internal market. Whereas in the 1960s the economy, confident that serious attempts were being made to create the customs union, anticipated its effects in its investment decisions and thereby contributed to the great success of the 1960s, today it will have to play a waiting game and show scepticism until it is convinced that a serious resolve exists to create a large internal market.

This conviction cannot be instilled by grand speeches, by verbal fireworks of whatever kind, but only by practical decisions and their practical implementation. The most important such decision, the strategic breakthrough, will be the decision to implement the fourteenth directive on VAT. That directive is the main

reason for the existence of frontiers, customs officials or erstwhile customs officials, who should be called by a different name today. So long as VAT is normally levied at the frontiers, there will be no confidence in the internal market. There is a clear link-up here, which can be removed only by those who are politically responsible for VAT, i.e. the finance ministers, in the last resort the heads of government.

We should not make things too easy for ourselves. That is the real crux of the matter. As in the case of travellers' controls we are concerned not with easing the controls, not with simplifying them, but with abolishing them, definitively abolishing them. Anything short of abolition is meant as a kind of showpiece for election purposes and is basically designed to prevent that dive into the deep water which we must require of your governments and of the administration.

I would agree with Mrs Nielsen that this applies in particular to small and medium-sized undertakings. Last year we organized a very successful Year of the Small and Medium-Sized Undertakings in Europe. They must have confidence. The large undertakings always have enough large central departments, specialized lawyers and specialists of all kinds who can still help them surmount various obstacles and open up markets. Small and medium-sized businessmen who cannot resort to such resources are much more dependent on blind trust, on what the State says, than large undertakings, so it is very much in their interests to ensure the legal clarity we need.

I agree with all those who have made comments on the question of freedom of movement, right of establishment and capital movements. I do not have the time to go into them individually. But may I make it clear once again: we are trying to submit a comprehensive strategy of consolidation for the Council of Ministers in May and the European Council that will follow it, a strategy that responds to the proposals made in the working document of the Committee on Economic and Monetary Affairs and the report by Mr von Wogau and Mr Moreau.

Its success will depend on whether all the European governments, who are of course all backed by parties which are also represented in this House, will endorse these aims and in particular our proposed calendar. We believe that the decision cannot be taken at any point in time but must be taken in the next 20 months. Now that the accession of Spain and Portugal is approaching, and we know how many years of non-decision-making that could provoke, we would be doing ourselves enormous economic and political damage if we did not put our own house in order first and complete the consolidation of the Community by taking the necessary decisions.

All this is feasible. There are no insoluble problems as far as we can see now; there are only outstanding decisions. There is an absence of policy, but not of ideas or viable proposals. Clearly we will also have to tackle

Narjes

such thorny problems as the public contract system, just as — and here I refer to a motion by Mr Rogalla — we will have to continue without fail to tackle the delicate problem of border controls for travellers.

We have reached wide-ranging verbal agreement with all the governments. Unfortunately in practice we have agreements only with the Benelux governments. Seven governments refuse spot checks, to answer your question more precisely, Mr Rogalla. But that is no reason for resignation as I, perhaps wrongly, understood you to say, but a reason to be even more stubborn and persevering, for even more active, committed endeavours to create the European internal market. No-one has any alternative to this approach and no-one will be able to concentrate on political union or more far-reaching plans or put them forward credibly unless they manage to reduce frontier controls and establish the internal market for goods and travellers, for plants, animals and whatever else is carried across frontiers. Here too credibility has to be established as regards both the small and larger objectives. We should not conceal this and should say it in particular to those who think they could escape the internal market by retreating into politics. Failing a successful, weather-proof, solid economic basis, our political endeavours will be at risk for a long time and not produce the results we all hope for.

So the internal market is not a Utopia, it is a realistic objective. It is not a needle in a haystack, but a package of programmes that now lies within the realm of the possible and that we must therefore continue to pursue vigorously in the next term of legislature too.

All the Member States should realize once again that the decisions expected of them as regards the creation and achievement of the large European internal market do not just mean the fulfilment of legal commitments but are also in their own economic and political interest. Logically they ought therefore to give real priority to the completion of the internal market in all their internal political decisions, for that is what we need, even if it has to include reorganization, changes of behaviour, even the need to move officials away from the frontiers because they can no longer find jobs there.

(Applause)

Mr Beazley (ED). — *(DE)* May I please put a question to the Commissioner?

In 1834, I think, it was possible for Germany to create a *Zollverein* which led to the unification of Germany and to reduce the cost of all the goods that passed down the Rhine. Why is it then, Commissioner, that at the present moment we have so many problems in removing these tariff barriers, even though our great modern world has far better communications than they had in those days?

Mr Narjes, Member of the Commission. — *(DE)* If I am right we had 35 customs posts in 1834 and now we have 3 500. Secondly, 85-90% of economies were agricultural economies and only 15% were industrial and 10% trading economies. The volume of trade was correspondingly small. With the advent of customs union we saw the growth of the railways and of communications. As they grew and trade and industry increased at the cost of agriculture, the pressure for a unified customs area became stronger. It was finally completed in 1867. However, the three Hanseatic Cities only joined in 1881.

In this quick survey of history we should also mention the example of the United States. It took them 90 years to become fully capable of common action. By comparison, it is far more difficult to integrate industrial economies which speak seven different languages and have 10 different legal systems and 10 different social and political cultures than was the case with the predominantly agricultural structure in the nineteenth century. In view of all these circumstances and data, I believe that we can succeed if we really want to. There are no insuperable obstacles.

(Applause)

President. — The debate is closed.¹

(The sitting closed at 8 p.m.)

¹ For the vote, see Annex. For the next sitting's agenda, see the Minutes.

ANNEX*Votes*

This Annex indicates rapporteurs' opinions on amendments and reproduces the text of explanations of vote. For further details of the voting, the reader is referred to the Minutes.

**DONNEZ REPORT (DOC. 1-123/84: waiving of parliamentary immunity):
ADOPTED***Explanations of vote*

Mr Sieglerschmidt (S). — *(DE)* I shall vote against the recommendation not to waive immunity in this case, not because of the actual case we are voting on but because of its fundamental significance, and especially in view of the justification approved by the Legal Affairs Committee. Since, as is rightly stated in the justification, the Member is entitled to the immunity conferred on members of the German Bundestag, the Legal Affairs Committee and Parliament cannot create their own jurisprudence, for that clearly conflicts with the application of the article in question of the Basic Law of the Federal Republic in comparable cases. The Legal Affairs Committee could easily have found out that in cases of this kind the Bundestag has normally waived immunity.

The Legal Affairs Community has based its decision on the principle that in all cases in which political circumstances are invoked, immunity shall not be waived. Even if we already had a uniform right of immunity for all Members, Parliament cannot adopt that principle unless it wants to damage its reputation among the peoples of the Community. For that would mean that a Member avoids prosecution under a criminal law valid for all citizens only because it is established that he committed the offence for political motives. According to the principle of the equality of all under the law, such a ruling would also have to apply to other offences committed for political motives, and even to terrorists who are not protected by parliamentary immunity. That cannot be right.

If Parliament prevents any further findings about guilt or innocence even at this stage, it will lay itself open to the reproach that it is using the right of immunity in order to concede to its Members an entirely unjustified privilege. So even if it may have decided differently in the past, Parliament must desist from such a questionable practice as soon as possible. Moreover, I would advise the new Parliament to abolish the privilege of immunity from prosecution, including the small area of indemnity. That privilege is out of date in the democratic society of our Member States and cannot be justified before our citizens.

Mr Donnez (L), rapporteur. — *(FR)* Mr President, what we had from Mr Sieglerschmidt was not an explanation of vote but a law lecture and that was quite out of place. I want him to know that.

* * *

**J. MOREAU AND VON WOGAU REPORT (DOC. 1-32/84 :
internal European market): ADOPTED**

Mr Moreau spoke

- IN FAVOUR of Amendment No 1 ; and
- AGAINST Amedments Nos 2, 3, 5, 8 to 10 and 12

Explanations of vote

Mr Prout (ED). — My group is extremely concerned about the settlement of compensation claims for losses suffered by lorry-drivers and transport firms caught up in last month's blockade in France. Many of these losses will not be covered by insurance.

At present, it seems that member governments, whether singly or collectively, are not prepared to admit any responsibility. On the one hand, individual States are reluctant to press France to pay out because they take the view that they themselves would not have paid out in similar circumstances. On the other, the Council of Minister argues that compensation is a matter exclusively for individual Member States. In short, the victims of this dispute are caught between the devil and the deep blue sea.

As I said last month, although the dispute took place in France, the blame must lie with the Council of Ministers, who failed to agree on a number of elementary proposals central to the removal of frontier barriers. It is the failure of the Council to act which lies at the heart of the matter, and it must pay the price of its failure. I urge it once more to facilitate compensation arrangements in an equitable fashion and to act quickly to remove the causes of the dispute.

Mr Moreland (ED). — I should like to congratulate the rapporteurs. I shall vote for this resolution. But I would like to add that I do feel we have to sell it. For example, I was campaigning last Saturday to show people that the European elections were about to come upon us, and I was asked: 'Mr Moreland, what will you be doing over the next five years; what will be your main policy?' I said: 'To develop the internal market'. Whereupon the next question was: 'Do you mean the one in Birmingham or the one in Manchester?' Now I use that as an example to show that we have as yet not got across to the public how important the development of the internal market is. We produce lots of resolutions, and this is an excellent one. But we really must, during these elections, make this a live issue.

My colleague referred to the *Zollverein* of 1834. I should like to remind him and my British colleagues that 1834 was also the year of the Tamworth Manifesto of Sir Robert Peel, who had two principles; one was, of course, conservatism and the other was the development of free trade. Needless to say, being an excellent man, he came from the area I represent, and he would have certainly supported the common market and the internal market. Let us for the next two months make it the highlight of our campaign to show the public the real benefits of the internal market, because that will get the Council really going.

(Applause)

Mr Gredal (S). — *(DA)* Mr President, we — and in this instance that means the Danish Social Democrats — are in favour in principle of the abolition of all forms of technical barriers to trade but, as we have said before, it must not be at the expense of either the working environment or the environment as such. We are also in favour of the simplification of customs formalities, so that travellers can experience direct benefit from the larger common market. I can well understand the disappointment of Europe's citizens that it should still be so immensely difficult to travel as a tourist and to import and export goods. It is something for the Council to tackle, and we can only — as others have done before in this Chamber — call upon the Council to get to grips with a large number of these matters and bring the internal market to fruition. We can support the vast bulk of

this report, but there are some imperfections which we have to draw attention to : we cannot support the harmonization of VAT rates in the individual countries of the Community. We think that the individual countries should be free to use adjustments to the VAT rate as an instrument of economic policy. We also do not favour the merging of the Member State customs administrations into a single customs authority. For these reasons, we cannot, unfortunately, vote for the report, but I would point out once more that we can fully support a very large part of it.

SITTING OF TUESDAY, 10 APRIL 1984

Contents

1. <i>Approval of the Minutes</i> <i>Mr Hord; Mrs Maij-Weggen</i>	31	<i>Mr Narjes (Commission); Mr von Wogau; Mr Narjes; Mr Rogalla; Mr Narjes; Mr Pearce; Mr Narjes;</i>	66
2. <i>Titanium dioxide — Report (Doc. 1-114/84) by Mr Ghergo</i> <i>Mr Ghergo; Mrs Van Hemeldonck; Mrs Schleicher; Sir Peter Vanneck; Mrs Squarcialupi; Mr Muntingh; Mr Battersby; Mr Walter; Mr Narjes (Commission); Sir Peter Vanneck; Mr Muntingh; Mr Narjes; Mr Sherlock; Mr Narjes</i>	32	— <i>Question No 2, by Mr Moorhouse: Natural gas</i> <i>Mr Narjes; Mr Moorhouse; Mr Narjes; Mr Berkhouwer; Mr Narjes; Mr Seligman; Mr Narjes</i> — <i>Question No 3, by Mr Israel: Creation of a European card for war victims</i> <i>Mr Richard (Commission); Mr Israel; Mr Richard</i>	68 69
3. <i>Budget — Final discharge to the accounting officer of Parliament for the 1981 financial year — Reports (Doc. 1-111/84) by Mrs Boserup; (Doc. 1-118/84) by Mr Irmer; (Doc. 1-110/84) by Mr Saby; (Doc. 1-39/84) by Mr Gabert; (Docs 1-1335/83 and 1-1336/83) by Mr Kellett-Bowman; (Doc. 1-1346/83 by Mr Gabert; (Doc. 1-77/84) by Mr Key; (Doc. 1-117/84) by Mr Aigner and (Doc. 1-40/84) by Mrs Boserup</i> <i>Mrs Boserup; Mr Irmer; Mr Kellett-Bowman; Mr Saby; Mr Gabert; Mr Kellett-Bowman; Mr Aigner; Mr Gabert; Mrs Boserup; Mr Tugendhat (Commission); Mr Aigner; Mr Arndt; Mr Konrad Schön; Mr Price; Mr Baillot; Mr Irmer; Mr Tugendhat; Mr Irmer; Mr Ansquer; Mr Eisma; Mr Clinton; Mr C. Jackson; Mr Mart; Mr Notenboom; Mr Møller; Mr Delatte; Mr Marck; Mr Hord; Mr Tugendhat; Mr Eisma; Mrs Boserup; Mr Aigner; Mr Habsburg; Mr Marshall</i>	37	— <i>Question No 4, by Mr Marshall: Sugar</i> <i>Mr Richard; Mr Marshall; Mr Richard; Mr Hord; Mr Richard; Mr Clinton; Mr Richard</i> — <i>Question No 5, by Mr Nyborg: Income and expenditure in connection with road tolls</i> <i>Mr Contogeorgis (Commission); Mr Nyborg; Mr Contogeorgis; Mr Blumenfeld; Mr Contogeorgis; Mr Purvis; Mr Contogeorgis; Mr Gontikas; Mr Contogeorgis</i> — <i>Question No 6, by Mr Rogalla: Telephone charges on the Community internal market</i> <i>Mr Narjes; Mr Rogalla; Mr Narjes; Mr Marshall; Mr Narjes; Mrs Kellett-Bowman; Mr Harris</i>	69 70 72
4. <i>Topical and urgent debate (announcement)</i> <i>Mr Hord</i>	66	— <i>Question No 8, by Mr Gauthier: Wind energy</i> <i>Mr Narjes; Mr Gauthier; Mr Narjes; Lord O'Hagan; Mr Narjes; Mr Nyborg; Mr Narjes; Mr Gontikas; Mr Narjes; Mr Spencer; Mr Moreland; Mr Pearce;</i>	73
5. <i>Question Time (Doc. 1-141/84)</i> — <i>Questions to the Commission</i> — <i>Question No 1, by Mr von Wogau: Charging of customs duties by Belgium on Community gift consignments:</i>		— <i>Question No 10, by Mr Vandewiele: Modification of Regulation No 543/69 on the harmonization of certain social legislation relating to road transport</i>	

<i>Mr Contogeorgis; Mr Vandewiele; Mr Moreland; Mr Contogeorgis; Mr Seligman</i>	75	<i>topoulos; Sir James Scott-Hopkins; Mr Enright; Mrs Kellett-Bowman; Mrs Duport; Sir James Scott-Hopkins</i>	78
— <i>Question No 12, by Mr Moreland: Gas tariffs in the USA vis-à-vis those in the Community</i>		6. <i>Action taken on the opinions of Parliament</i>	
<i>Mr Narjes; Mr Moreland; Mr Narjes</i>	75	<i>Mr Purvis; Mr Andriessen (Commission); Mr Purvis; Mr Andriessen</i>	80
— <i>Question No 14, by Mr Cousté: Preparations for an ECU clearing system between European and American banks</i>		7. <i>Waste — Report (Doc. 1-109/84) by Mrs Pruvot and oral questions with debate by Mr Alber and others (Doc. 1-24/84) to the Council and (Doc. 1-107/84) to the Commission</i>	
<i>Mr Andriessen (Commission); Mr Cousté; Mr Andriessen; Sir Brandon Rhys Williams; Mr Andriessen</i>	76	<i>Mrs Pruvot; Mr Alber; Mr Sieglerschmidt; Mr Ghergo; Mr Turner; Mrs Squarcialupi; Mr Eisma; Mr Bombard; Mrs Schleicher; Mr Kirk; Mr Wurtz; Mrs Van Hemeldonck; Mrs Cassanmagnago Cerretti; Mr Collins; Mr Narjes (Commission); Mr Sieglerschmidt; Mr Gautier; Mr Sieglerschmidt</i>	80
— <i>Question No 17, by Mr Gontikas: The Greek Government's policy of enacting provisions on the nationalization and 'socialization' of undertakings in defiance of Community regulations</i>		8. <i>Votes</i>	
<i>Mr Andriessen; Mr Gontikas; Mr Andriessen; Mr Plaskovitis; Mr Andriessen</i>	77	<i>Mr Rogalla; Mr Narjes (Commission); Mr Ghergo; Mrs Schleicher; Mr Ghergo; Mr Gautier; Mr von der Vring; Mr Gautier; Mr Ghergo; Mr Narjes; Mrs Boserup; Mr Irmer; Mr Kellett-Bowman; Mr Saby; Mr Sutra</i>	92
— <i>Question No 18, by Mr Simmonds: Transport of horses intended for slaughter</i>		<i>Annexes</i>	
<i>Mr Andriessen; Mr Seligman; Mr Andriessen; Mr Turner; Mr Andriessen</i>	77	<i>Mr Bombard; Mr Sherlock; Sir Peter Vanneck; Mr Ghergo; Mr Gouthier; Mr Fich; Mr Seligman; Mrs Scrivener; Mr Gouthier</i> . .	95
— <i>Question No 19, by Sir James Scott-Hopkins: Common electricity grid</i>			
<i>Mr Richard; Sir James Scott-Hopkins; Mr Richard; Mr Purvis; Mr Richard; Mr Enright; Mr Richard; Mr Gerokos-</i>			

IN THE CHAIR : MR DANKERT

*President**-(The sitting opened at 9 a.m.)*1. *Approval of the Minutes*

President. — The Minutes of yesterday's sitting have been distributed.

There is a small error on page 2 concerning a referral to committee. Item 4 should be considered as withdrawn.

Are there any comments ?

Mr Hord (ED). — Mr President, the item after the Ghergo report is a report by Mrs Boserup on the discharge for the 1982 financial year. We only have part A of this report; part B is not available. It seems to me that this may prejudice the discussion of this report. I would like to have your ruling on the fact that only the motion for a resolution has so far as I am told, been distributed.

President. — Yes, Mr Hord, the enlarged Bureau, I think it was, considered this problem. As you know, the discharge procedure has to take place by a certain date and we should not go beyond the limits we imposed on ourselves. It was impossible, for technical reasons, to get part B ready in time, but I think we can hold the debate on the basis of the documents

President

available. The part still missing, which is basically only an explanatory statement, will be distributed as soon as possible.

Mrs Maij-Weggen (PPE). — (NL) Mr President, during the last part-session the President — Mr Klepsch was in the Chair at the time — assured us that a vote would be taken on whether the directive on the equal treatment of self-employed men and women should be considered by the Committee on Social Affairs and Employment or the Committee of Inquiry into the Situation of Women in Europe. We were simply waiting for Parliament to be officially consulted. I was informed by Parliament's Secretariat yesterday that this has now been done. This means that we could now vote on this question, and I would ask you to put the matter to the vote because the report is being discussed by the Committee on Social Affairs and Employment this morning and it is important for this committee to know whether it is to draw up an opinion or a report.

President. — At the moment I cannot give you any more information. Tomorrow, after the Bureau has met, we should be able to. But today this seems to me a little difficult because I am faced with a decision taken by the Bureau.

(Parliament approved the Minutes) ¹

2. Titanium dioxide

President. — The next item is the report by Mr Ghergo, drawn up on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the

proposal from the Commission to the Council (Doc. 1-261/83-COM(83) 189 final) for a directive on procedures for harmonizing the programmes for the reduction and eventual elimination of pollution caused by waste from the titanium dioxide industry (Doc. 1-114/84).

Mr Ghergo (PPE), rapporteur. — (IT) Mr President, ladies and gentlemen, the proposal for a directive that we are examining has a long history: it originated in the first Action Programme on the Environment of December 1973, which was the basis for the proposal for a Council Directive on waste from the titanium dioxide industry submitted by the Commission on 14 July 1975. At that time the titanium dioxide industry in Europe, with a total production of about 840 000 t/year, disposed of virtually all its highly pollutant waste by depositing it, untreated, in inland, coastal or estuary waters or in the open sea. Action to restrict this pollution was therefore, urgently necessary, and a

proposal was prepared which, however, remained in the limbo of good intentions, its only effect being to generate the proposal for a directive 78/176/EEC of 10 February 1978, which set in action a programme for the reduction and eventual elimination of pollution. In implementing this programme the Commission submitted to the Council on 18 April 1983 the proposal for a directive with which we are now concerned, and which lays down the procedures for harmonizing the programmes for the progressive reduction and ultimate final elimination of pollution caused by waste from the titanium dioxide industry.

The Committee on the Environment has made a number of changes, with two aims in view: first, to speed up implementation of the anti-pollution measures as far as possible, having regard to the delays that have occurred so far through the fault either of the Commission or of some Member States.

Secondly, to improve the regulations for the protection of the environment, reducing, amongst other things, the reference levels for discharges of pollutant waste.

It should be noted that the changes that we have made coincide almost entirely with those put forward by the Committee on Economic and Social Affairs. In short, the text of the Directive is the result of a compromise which the Commission felt it had to make between pollution reduction programmes that have already been implemented, and others that are in course of implementation or are under study. Therefore, in addition to the overwhelming need not to delay any further implementation of the proposed measures against pollution, account has also been taken of the moral desirability of putting an end, as soon as possible, to the advantage that has been enjoyed and still is by industries that have done nothing to reduce pollution, and hence produce at lower cost, thereby practising unfair competition. Moreover, from the technical standpoint, the measures to be adopted in order to reduce pollution are easy to implement, as is shown by the fact that they have already been implemented by the industries of various Member States. In this connection it is as well to mention that the Directive provides for the submission of further proposals, to be agreed with the Commission.

From the ecological point of view the Directive that is proposed by the Commission falls considerably short of the maximum that might have been hoped for. However, with the amendments that have been made, it constitutes an acceptable compromise between two needs that are only opposing in appearance: the need not to inflict excessive burdens on industry, that might have harmful effects on employment, and the need to stop or at least restrict as far as possible the pollution and deterioration of the environment which, in the end, could even compromise the very existence of life on earth.

¹ Documents received — Topical and urgent debate (Announcement of motions for resolutions tabled): See Minutes.

Ghergo

We must avoid any possibility whatever of further delay and putting off, which would be really criminal. Obviously, at least initially, the various measures that must be undertaken by individual Member States at their centres of production will involve more or less heavy additional costs for the titanium dioxide industry, as is the case with any measures to reduce or eliminate pollution, but, in this specific case, not only will the environment be improved generally, but also the distortion of competition, to which I have referred, will be corrected or at least lessened.

For the reasons that I have given I ask Parliament to support my motion for a resolution, which approves the Directive under discussion. It is a further opportunity for Parliament to show, in concrete terms, its concern for the problems of the environment and hence of mankind, which is the yardstick for everything else.

(Applause)

Mrs Van Hemeldonck (S). — *(NL)* Mr President, the item of the agenda we are now discussing is an example of the problems we shall be considering later this week when we take the report by the special Committee of Inquiry into Toxic and Dangerous Substances and also Mr Bombard's report on the discharge of waste into the sea and rivers.

This Ghergo report again confirms the conclusions drawn in the Bombard and Pruvot reports, that, since toxic products are constantly produced in a highly industrialized Community as a natural result of its economic activities, a European policy is needed for this area.

This European policy must include the planning of production, with due account taken of the effect on the environment as against the economic advantages, and possibly a restriction or reorientation of production. Secondly, the admissibility of certain processing methods must be the subject of strict rules. And finally, initiatives must be taken at European level with a view to establishing specialized waste industries.

In Flanders some 80 000 tonnes of titanium dioxide are produced every year, mostly by multinationals. Of this, 70 % is derived from enriched ore by the sulphate process, the very process that produces the most waste. All the acidic waste, sulphuric acid in high concentration — up to 23 % — is dumped at sea. The same goes for ferric sulphate, which is rightly known as 'green vitriol'. At Ghent, for example, the weak acidic waste, at a concentration of 7 %, is discharged directly into an industrial canal, which then flows into the Scheldt. The water from the canal and from the Scheldt is used by the workers in their vegetable gardens and also gets into bodies of water used for recreational purposes, with all the dreadful implications this has for food consumed by human

beings and for their health. Another large factory in Antwerp similarly discharges its waste into the Scheldt, but only after it has gone through a treatment plant paid for by the local community. From the Scheldt everything, of course, flows into our long-suffering North Sea. It would not, of course, be very difficult for the multinationals concerned to transport the highly concentrated sulphuric acid to their main plants in Germany, where they have waste-processing facilities, but they save themselves this expense by dumping it straight into the sea or a river, as they do in Ghent, or by leaving it to the local community to solve the problem, as is the case with the treatment plant in Antwerp, which the authorities have financed with public funds. The profits from production naturally go straight into the pockets of the multinationals concerned.

I say this to illustrate the contents of the Ghergo report and to show that we very much welcome the recommendations it contains. We hope they will be linked to the recommendations made in the Pruvot and Bombard reports. This Parliament must look carefully at an overall policy on industrial waste and residues, as we have said on several occasions.

Mrs Schleicher (PPE). — *(DE)* Mr President, ladies and gentlemen, I would like, at the outset, to thank Mr Ghergo for his report. He was saddled with a very difficult task, given the wide-ranging differences in Member States' perceptions as to the optimal solution with regard to the elimination of pollution caused by waste from the titanium dioxide industry.

I would like to begin by turning to the Commission, given that it submitted a proposal which foresees an embargo on the introduction and diffusion of green salt, a harmful substance which is to be found in light acid, one of the solid wastes, and for a gradual reduction of derivatives of free acids, (the so-called 'thin acids'). I feel this Commission proposal to be totally inadequate, given the unlikelihood of achieving the goals contained therein. Priority should be given to the reduction both of the waste-water by-products and the harmful substances contained therein. The initial approach should consist in the application of state-of-the-art technologies, such as, for example, the chlorine process through which waste-water derivatives, and the harmful substances contained therein, are substantially reduced from the outset. Secondly, provision should be made for the application of appropriate reconversion processes which neutralize the harmful substances.

I should now like to outline my main reservations about the proposal for a directive. To begin with, the deadlines set by the Commission are far too generous and I am quite convinced of the need to shorten them. Secondly, the Commission's methodology for the treatment of liquid waste, along the lines of the

Schleicher

so-called 'sulphate process' would appear to be inappropriate, for it leads to no more than a neutralizing of the waste, as opposed to a reduction of existing pollution.

The definitions and reference values proposed by the Commission would result in firms having recourse to the neutralization process, which has inherent cost advantages *vis-à-vis* other disposal methods. Were the proposal for a directive to be adopted as it stands, it would probably give rise to the re-adoption of the neutralization process, because of the already-mentioned considerable cost-effectiveness, by those Member States which have already outlawed it.

The disadvantages inherent in this process are all too obvious: it results merely in a dilution of existing waste-water, rather than an actual reduction of harmful substances. Furthermore, titanium dioxide waste-water calls for the application of neutralization substances, such as lime which themselves give rise to additional harmful substances, for example, arsenic.

Thirdly, the disposal of the end-product of the neutralization cycle creates additional problems. The considerable dilution renders reconversion out of the question. In making provision for the neutralization process, the Commission ought to have at least arranged for a real reduction of the harmful substances contained in the end-products of the neutralization cycle and a proscription on dumping at sea. This has led me to table two amendments to the proposal, and, whilst realizing that they were rejected in committee, I remain, nevertheless, convinced of their necessity.

I should like to thank the rapporteur once again for his very hard work, as evidenced in the committee document. I remain committed, however, to my amendments, and I would be grateful for the support of the House.

Sir Peter Vanneck (ED). — I rise, Mr President, to commend to the House the amendments standing in my name. I have only time to comment generally on them, but they all have one aim in view which is to maintain the viability of this important industry in Europe with the employment factor, the large number of jobs that are at stake, particularly in mind.

There is no real evidence that current manufacturing practice, which is continually being improved from the environmental point of view, causes any real chemical or biological hazard to the Community. And if, as will be the case if the House does not support my amendments, the industry is crippled financially by trying to achieve almost impossibly high standards of purity of effluent, this industry will disappear. Of course, we shall not suffer a lack of titanium dioxide so vital as a pigment — the whiteness in white paint, for example — because there is no lack of supplies from abroad just waiting to jump in if we are stupid enough to price ourselves out of all competition.

Canada and the United States, for instance, are hovering in the wings licking their lips at the prospect of taking over the supplier role from our own indigenous manufacturers.

At a time of high unemployment in the Community; at a time when Community self-sufficiency in a particular specific product is at risk; at a time when the Community balance of payments should in no detail be put under pressure, we would be mad to jeopardize this industry in quite this way. I hope Parliament will accept my practical and pragmatic amendments to this report.

Mrs Squarcialupi (COM). — (IT) Mr President, this Parliament had been discussing the problem of titanium dioxide — which we in the Mediterranean call 'red sludge' — since 1976, and perhaps even earlier. It is a subject that has had spectacular results, such as the arrest in 1976 of the chief executive of a multinational which, in fact, was polluting part of the Mediterranean by the uncontrolled discharge of red sludge. There was even a revolt by Corsican fishermen against the grave harm that was being done to the environment, and which was placing their livelihoods in jeopardy.

For that reason I think that what Sir Peter Vanneck has proposed raises a false problem: it is a false problem to maintain certain levels of pollution so as to guarantee efficiency and jobs; it is a false problem, and I think that it has been very largely disposed of as such by the entire Committee on the Environment. We cannot go on with small deceptions and limited measures, which is what had been attempted by this directive. I think that the answer given by the Committee on the Environment represents a stimulus to the Commission to show more courage, to propose decisive measures for the protection of the environment, to reject the undue influence of certain pressure groups who neglect the environmental problem, which is a mistake because one day, Sir Peter, you will see the factories that you are now defending obliged to close down and their workers jobless, because we cannot go on discharging industrial waste in this way.

As I said, the problem is a false one. The ecological awareness of our countries is growing, and the need to protect the environment in which we live is becoming ever more insistent. Naturally, the measures for which we call with this directive will cost money, initially. But look at the cost of disposing of the dioxide in this way! And what will be the cost, then, of having to close down the factories because it is impossible to continue production.

It is for this reason that, for many years now, we have put forward proposals for the manufacture of alternatives to titanium dioxide, and those are the lines on which we should proceed. We must go ahead with alternative products, with production processes that use clean technology: these are the only alternatives,

Squarcialupi

unless we want to continue harming the environment and, at the same time, harming our production, and putting our workers out of jobs as a result.

Mr Muntingh (S). — *(NL)* Mr President, Sir Peter Vanneck has said that industrial jobs are at stake. Is it possible, Sir Peter, that jobs are at stake in the fishery sector, where holes are being burnt in fishermen's nets, where 80% of some catches has to be jettisoned because the fish have cancerous tumours, where a whole series of downstream industries is also affected? It seems to me that Sir Peter Vanneck would do better in the Committee on the Environment, Public Health and Consumer Protection, where he normally takes an extensive morning nap, without quite snoring, to listen rather than going to sleep, because things are far from being as he has described them. If some 6.5 m tonnes of toxic waste finds its way into the sea every year and if that happens year in, year out, it is bound to have particularly harmful implications for the natural environment.

And then there was Sir Peter Vanneck's second comment. He said precisely what industry always says: 'There is no evidence. Give us some evidence that these substances harm the natural environment'. This is exactly the same argument advanced by industry when we discuss air pollution: 'You can't prove that this is the case, and we do not therefore need to do anything'. Sir Peter, I regard that as a pernicious attitude. This is what is ruining our environment. Again and again we find a few short-sighted industrialists putting their short-term interests, their own interests, before the long-term interests, society's interest in a healthy natural environment. That is the situation and not as you have described it.

Mr President, a third example that illustrates this attitude is precisely what has happened here with this directive, which was proposed by the Commission as long ago as 1975, and enacted by the Council in 1978. The Member States ought to have taken various measures, but they failed to do so because, they were under pressure from the very industry, defended by Sir Peter Vanneck and, as a result, have kept on doing nothing. Consequently, the Commission has now listened to industry and wants to see the mess cleared up by 1993 rather than 1986. This situation is completely unacceptable, and we of the Socialist Group have therefore said that we do not accept it and we have tabled an amendment seeking a change in the date. We want the mess cleared up by 1986, and that is all there is to it.

In other words, Mr President, it is high time something was done. The proposal that has been presented by the Committee on the Environment, Public Health and Consumer Protection has our support. We have added just one amendment, and we can tell Mrs Schleicher that we will also approve her amendments, because it is not just that no acid should be dumped but that neutralized acid should not be dumped either, since in the long term it also finds its way into the sea in the form of a solution. That is precisely

what Italian industry is doing, Mr Ghergo. You do well to nod, but Italian industry neutralizes its waste, packs it in blocks and then dumps it into the Mediterranean, and that is not the way to do it either. To prevent this, I have tabled another amendment, which I hope Parliament will approve.

Mr Battersby (ED). — Mr President, of the three factories in the United Kingdom currently producing titanium dioxide two are situated in my new Humber-side constituency. These industries and those of my constituents who work in them have a very close interest in the proposals which are the subject of Mr Ghergo's report.

Regrettably those proposals in their current form are wholly unacceptable for two reasons. Firstly, the United Kingdom has for a long time controlled water pollution by the application of environmental quality objectives. This essentially pragmatic approach matches the type and amount of effluent to the capacity of the receiving waters to absorb and disperse it. In 1976, after long and protracted discussion, it was agreed by the Commission and all the then nine Member States, that this approach, which is both efficient and effective, should be written into Community law alongside the uniform emission standards favoured by other Member States. Why then, in the proposal now before this House, does the Commission depart from this approach which Community legislation has recognized for over eight years? Why does the Commission now seek to impose a system of uniform emission standards throughout the Community when it has previously accepted the efficiency of the quality objective method? The Commission has not given a satisfactory answer to that question and one can only conclude that it has been paying too much attention to theory and not enough to reality, and this is not the first time that this has happened. Secondly, the proposed directive, by applying these uniform standards, ignores one factor that can never be harmonized. That is the different geographical circumstances. In my view, there is a considerable difference between discharges from any chemical industry which go to open sea waters and those which go into non-tidal waters or even into rivers. I think to apply the same blanket controls to both is absurd and irresponsible.

My colleague, Sir Peter Vanneck, has tabled a number of amendments to the Commission's proposal, and unless the House adopts all of these amendments, I regret that my group will be voting against this report.

Mr Walter (S). — *(DE)* Mr President, ladies and gentlemen, I am convinced that this debate on titanium dioxide waste is no run-of-the-mill environment debate. Within this highly complex and technical-sounding Commission presentation lay something which has the makings of a full-blown environmental scandal in which the Commission is, unfortunately, to be seen in the now familiar role in environmental debates of Community enforcement officer in Member State environmental transgressions.

Walter

It is generally accepted that titanium dioxide waste is not the main source of North Sea pollution. But it is no less true that every tonne of this waste which is dumped at sea is a tonne too many. Everyone is aware of the Greenpeace endeavours against such dumping, and every member of this House is equally aware that the Community directive, which is at present applicable, provides for the prohibition of such dumping, with effect from 1987. We now have to deal with this Commission presentation which envisages postponing the abolition of such dumping until the mid-1990s. The trouble with all this is not so much the national interests, as the Commission would have us believe, nor the erroneous arguments advanced by industry, to the effect jobs are at stake. Rather, the most serious aspect here is the Commission's yielding to this pressure and advancing the line of argument which Member States had been waiting to pounce on.

This context provides an opportunity for me to repent in unambiguous terms — and the same applies to other environmental issues — that it is not the task of the Commission to provide industry and individual Member State governments with alibis for their immobility in environmental matters. It is, rather, the Commission's task to act as the driving force in Community environmental policy on behalf of the Member States.

(Applause)

As regards to the subject under consideration allow me to repeat the following: There are no plausible economic grounds for this type of Commission presentation. There are no technical obstacles to a cessation of such dumping of titanium dioxide waste. The state of our coastal areas is, however — in the Federal Republic at any rate — so disturbing that this issue has, for many people, assumed the character of a test of credibility of Community environmental policy. I would, therefore, state the following, not least on behalf of numerous mayors representing coastal municipalities in the Federal Republic of Germany: I appeal to the Commission to reconsider its proposal and I would urge all members of the House, not least the Liberals and Christian Democrats from the Federal Republic, to reject the Commission presentation and to support the amendments tabled by the Committee on the Environment, Public Health and Consumer Protection. Above all, I would urge you to vote against the amendments tabled by the British conservative members.

In closing I would like to leave all members of the House with this thought: A decisive rejection of titanium-dioxide waste dumping at sea will do far more to bring the voters out for the European elections in June than spending millions for a lavish electoral campaign. We would do well to bear this in mind!

(Applause)

Mr Narjes, Member of the Commission. — *(DE)* Mr President, I should like to begin by thanking Mr Ghergo and the members of the Committee on the Environment, Public Health and Consumer Protection, and all who participated in the committee sittings, for the attentive manner in which they scrutinized the Commission proposal and for their contributions and criticisms, even though the tone would appear at times to be somewhat far-fetched.

I need hardly remind the House of the significance which the Commission attaches to the implementation of the Directive on waste from the titanium dioxide industry, of 20 September 1978. The aim of this directive is the prevention of pollution stemming from the production of titanium dioxide, with a view to attaining a gradual reduction and, ultimately, elimination thereof. The Commission remains committed to this. The initial implementation measure was the Council Directive of 3 December 1982 setting out details of the supervision and control of the environmental media occasioned by the derivations stemming from the production of titanium dioxide (No 82/883), which was presented by the Commission, pursuant to Article 73, which is the framework directive.

The proposal for a directive which is now before you is the second implementation measure presented by the Commission in the context of the 1978 measure which constitutes the basic directive. This new directive, pursuant to Article 93, is intended to pave the way for the adoption of harmonized measures for the reduction, and ultimate elimination, of the pollution stemming from titanium dioxide production. These measures are to be so formulated as to uphold the prevailing rules of competition for all Member States. I would hasten to assure Mr Walter that the directive in no way precludes the implementation by one or other Member State, with particularly endangered waters, of more rigid measures or, alternatively, the adoption by the titanium dioxide industry of a more rapid timetable. This latest proposal for a directive attempts to integrate the objectives of the 1978 directive and the measures taken by individual Member States for all waters for which the Community has responsibility. In this respect the following is worthy of note: with a view to complying with the 1978 directive Member States have had recourse to a variety of technologies. As such the actual, or envisaged, expenditure in this sector is not uniform among the Member States. The Commission, therefore, sees itself obliged to work out a common denominator among such varying technologies.

Neither the motion for a resolution, before the House, nor the various amendments call into question the Commission proposal. On the contrary, they clarify and complement several points in a constructive manner. The Commission welcomes, in particular, Amendments 1, 2 and 5 to 9 inclusive. Against this,

Narjes

however, the Commission is not yet in a position to accept Amendments 3 and 4 which deal respectively with the alternative timetable for compliance with pollution reduction proposed by the Commission, and revised values for the emission of harmful substances. The timetable contained in the amendment is too ambitious for some Member States. To repeat, Member States are not precluded from setting more rapid timetables than those envisaged in the Commission proposal, should they so desire. The Commission has a duty, however, to take account of the Community as a whole, not merely of the North Sea.

You are aware of the difficulties which this measure constitutes for some Member States. Nor can I deny that the Commission, in taking account of the jobs which could be jeopardized in this sector, has been prepared to go to the limit of the acceptable. There was not, however, any solution acceptable to all the parties concerned. The Commission trusts that this debate will enable it to take a further step towards mobilizing a wider understanding of this problem in all Member States.

Sir Peter Vanneck (ED). — Mr President, Mr Muntingh, for lack of any practical comment on Mr Ghergo's report, has accused me of snoring. I repudiate that accusation absolutely, and, if necessary, I could call on several ladies of my acquaintance to testify on my behalf.

(Laughter)

I would like to say, however, that if the nonsensical, and irrelevant remarks of Mr Muntingh about acid rotting fishermen's nets and fish stuffed with titanium dioxide causing cancer send members of the committee to sleep, that is his fault for being so boring — and not mine.

Mr Muntingh (S). — *(NL)* The Commissioner has said that more radical measures can be taken in various countries if the deadline proposed by the Commission — 1993 — is approved. The situation is, however, that certain companies have already taken steps while others have not, and that is the real reason why the Commission is now proposing so long a deadline. My question is this: will companies which now seek an earlier solution and companies which have already done so not be at a competitive disadvantage compared with the polluters who simply go on as they are and try to drag things out?

Mr Narjes, Member of the Commission. — *(DE)* That would depend on the type and unit cost of the new investment.

Mr Sherlock (ED). — Mr President I should like with your permission to ask the Commission a question. The impression I gained from the excellent comment of Mr Narjes was that the Commission

intended to reject the majority of the proposed amendments and to stick to the original proposal. Could he confirm that for me?

Mr Narjes, Member of the Commission. — *(DE)* I have already stated that the Commission is prepared to accept Amendments 1, 2 and 5 to 9 inclusive, and that we cannot, as yet, see our way to accepting Amendments 3 and 4, given that the timetables contained therein would render it impossible to complete the necessary investment.

President. — The debate is closed.

The vote will be taken at the next voting time.

3. Budget — Final discharge to the accounting officer of Parliament for the 1981 financial year

President. — The next item is the joint debate on:

- the report (Doc. 1-111/84) by Mrs Boserup, on behalf of the Committee on Budgetary Control, in accordance with the provisions of Article 85 of the Financial Regulation informing the Commission of the reasons for the deferral of discharge in respect of the implementation of the budget of the European Communities for the 1982 financial year
- the report (Doc. 1-118/84) by Mr Irmer, on behalf of the Committee on Budgetary Control, on the discharge to be granted to the Commission on the implementation of the second, third, fourth and fifth European Development Funds for the 1982 financial year
- the report (Doc. 1-110/84) by Mr Saby, on behalf of the Committee on Budgetary Control, on the final discharge to be granted to Parliament's accounting officer for the 1981 financial year
- the report (Doc. 1-39/84) by Mr Gabert, on behalf of the Committee on Budgetary Control, on the proposal for a decision on the discharge to be granted to the Commission of the European Communities in respect of the ECSC accounts for the financial year 1982
- the report (Doc. 1-1335/83) by Mr Edward Kellett-Bowman, on behalf of the Committee on Budgetary Control, on the discharge to be granted to the Management Board of the European Centre for the Development of Vocational Training in respect of the implementation of its appropriations for the 1982 financial year and the comments accompanying this decision
- the report (Doc. 1-1336/83) by Mr Edward Kellett-Bowman, on behalf of the Committee on Budgetary Control on the discharge to be

President

granted to the Administrative Council of the European Foundation for the Improvement of Living and Working Conditions in respect of the implementation of its budget for the 1982 financial year and the comments accompanying that decision

- the report (Doc 1-1346/83) by Mr Gabert, on behalf of the Committee on Budgetary Control, on financial frauds against the Community budget
- the report (Doc. 1-77/84) by Mr Key, on behalf of the Committee on Budgetary Control, on the special report by the Court of Auditors on the clearing of the EAGGF Guarantee Section accounts — the system and its operation
- the report (Doc. 1-117/84) by Mr Aigner, on behalf of the Committee on Budgetary Control, on the discharge for the 1982 financial year; Section I — European Parliament
- the report (Doc. 1-40/84) by Mrs Boserup, on behalf of the Committee on Budgetary Control, on the rationalization of the operations of management, advisory and consultative committees, groups of experts and similar bodies financed from the EC budgets.

Mrs Boserup (COM). — *(DA)* Mr President, as we have 10 reports here — I am the rapporteur for two of them — confusion may well arise. In order to ease matters for our colleagues, therefore, I shall begin by speaking only on the one which deals with approval of the Commission's accounts for 1982.

Doubts have been raised as to whether all the necessary documents are available. At all events I know that the motion for a resolution has been translated and distributed. It is possible that the explanatory statement is missing in some languages, but it should be possible to remedy that during the course of the day. I thank the President for ruling that we should proceed with the debate in spite of this formal deficiency. When I thank him for that, it is because I think it necessary for us to keep to the deadline and finish this work. It has taken up the time of the Committee on Budgetary Control for many months and has weighed quite heavily, because we agreed in the course of our work that it was not possible for us to approve the accounts immediately. It was not an easy decision to take, but we felt compelled to do so. If the Members want a fuller explanation of this decision, they can — when they appear — read the working documents of 13 members of the Committee who dealt with special areas of this question. I do not want to mention these colleagues by name, but I will say that, without the work of these colleagues, it would have been impossible to take on such a major task as the approval of the accounts. Also I will not claim that the Committee has been able to study every

detail — the work is too voluminous for that — and perhaps we have not had enough practice. We have only had five years.

I want quickly to go through the points in the motion for a resolution. In order not to cause undue alarm, I began at point 1 by saying that we are postponing discharge until after the election of the new Parliament. Some of us, myself included, were of the opinion that we could simply refuse to grant discharge, but Mr Key tabled an amendment on behalf of the Socialist Group which got a majority, and I shall therefore present a view which is that of the majority: that we should defer discharge and leave it to the Commission itself to draw the necessary conclusions. Mr Key chose this formulation in order to go as far as possible without going to the absolute limit of declaring no confidence in the Commission. This was adopted in the Committee by 23 votes in favour, with none against but one abstention. So in the Committee at least, there was no doubt as to the view to be taken.

We then mention the points which gave rise to special difficulty and which prompted us to take the decision on deferral. The first point, point 2, deals with the Commission's distortion of the inter-institutional balance, i.e. an expression of the Committee's view that the Commission, instead of acting as an independent institution, has gone over to acting in the service of the Council. I am sure that one of my colleagues will deal with this in more detail.

Point 3 is the most serious matter. It comprises formal, legal and political problems. It is a question of the Commission's conduct in connection with the rejection by Parliament of the supplementary budget in December 1982. In this context, the Commission acted as though Parliament had not rejected the supplementary budget. This setting aside of Parliament's budgetary competence was viewed with the utmost gravity in the Committee. We have discussed this matter in this Chamber before: Mr Notenboom, immediately after this event, put a question on it and, after the debate on the matter, it was stated clearly that we should have to return to the question in conjunction with discharge. That is what we are doing now. We are dealing with a formal, legal and political repudiation of Parliament's wishes, and I for my part think that this in itself would justify the rejection of the accounts. I will not mince words on that.

In point 4 we come to a question which has occupied the committee for the whole of the five-year period and on which we have not made much progress; this is deeply to be deplored. It is about the immense backlog in the Commission's completion of interim settlements with the national agricultural administrations. We have been told that the situation is improving and that there is now only about a five-year

backlog. We still find that unacceptable. We shall thus be granting discharge for accounts which, in respect of large portions of the expenditure, have not been examined in detail. It is indefensible, and it is especially indefensible when we then find that there are disagreements between the Commission and its financial controller as to whether the accounts can be approved or not, and six months can pass before the Committee on Budgetary Control is properly informed of the reasons for these disagreements and is told whether they are disagreements which we may have something to say about as a discharging authority. We consider this matter to be of the utmost gravity. I myself think that it is possible for the Commission to make good this delay, even if it has to make a special effort in the matter. We cannot tolerate any continuation of this delay.

Now we come to point 5, in which the committee voices its dissatisfaction with the lack of will on the part of the Commission after 1982 to sort out the arrangement for the sale of so-called Christmas butter. As the Assembly knows, our chairman, Mr Aigner, has been very active on this question, and he will be speaking about it. We all realize that the Christmas butter campaign in 1982 was not highly successful, but that is no reason why support should only be given to cheap butter for industry while the consumers are kept from at least once in a while taking an inexpensive share of the surplus that we have.

In point 6 we have a matter which is at least as serious, and it concerns food aid. In 1982 we made a request that 184 000 tonnes of grain be distributed as food aid. It was entered in the 1982 budget. Nothing happened until December 1982, i.e. 11 months later, and then only 39% of the money was used. Even the Council, which perhaps covers for the Commission and is sometimes equally slow and negligent, has found reason for criticism here. At all events this Assembly can find justification for criticism. We have talked at great length here of hunger in the world, and we know that about 80 000 people die of starvation each day, yet it takes us 11 months to distribute some grain which we actually have in store. That is not good enough. It is a strong argument in favour of refusing discharge.

We are also dissatisfied with the fact that it is taking far too long to implement the energy policy measures to which we have attached such importance.

And finally — on perhaps a rather special point — I list a number of points on which the Court of Auditors has seen grounds to criticize the Commission's systems for monitoring and providing information on the results of the appropriations made. We are aware that in the Regional Fund, the Social Fund and the structural section of the Agriculture Fund there are numerous instances of money being spent without there being any possibility of following up and

checking whether the money has yielded any benefit. This is indeed a difficult question, which we should think especially carefully about at a time when all the Member States are gradually having to adjust to the idea that the Community must be given more money. It will not be easy to persuade the voters that more money is to be given to the Community, if we do not do our utmost to ensure that this money is used in a sensible manner. I therefore call upon the Members to vote in favour of this report. We owe it to our voters to show that we are doing our work, and we owe it to the incoming Parliament to show them the way and to demonstrate to them the seriousness with which they should take precisely this duty which the Assembly has.

Mr Irmer (L), rapporteur. — (DE) Mr President, ladies and gentlemen, Mrs Boserup has just outlined the reasons which dictated the Committee on Budgetary Control's unanimous, (with one abstention), decision to defer the discharge in respect of the implementation of the Community budget for the 1982 financial year. The voting pattern was later repeated in the same committee, but on this occasion the committee came out in favour of granting the discharge to the Commission on the implementation of the second, third, fourth and fifth European Development Funds for the 1982 financial year. In so doing our intention is that of providing a clear signal of our approval of the manner in which Community development policy is enshrined within the framework of the Lomé Convention, and carried out by the Commission, and of our unequivocal commitment to the Commission in its continued endeavours. There are, naturally, some problems on which I should like to comment briefly.

The most important of these is the absence, heretofore, from the Community budget of the European Development Funds. Time and again this House has called for such an inclusion and I would inform both the Member States and the Commission that our patience is steadily wearing thin. We have been treated to a constant flow of promises and assurances of the seriousness with which both Council and Commission were treating this problem. However, nothing tangible has come about!

Is it not somewhat strange that we are today dealing with the discharge to be granted in respect of the Development Funds but that we are precluded from having a voice in the establishment of such funds, the allocation of financial resources, and the political decision-making which should now take place. This also gives rise to consequences of a practical nature. One need only call to mind the renewed failure and financial collapse of the Stabex system. Had the Development Fund been included in the Community budget such a financial collapse could have been avoided and the deficit could easily have been made up from the surpluses we had achieved in 1982. In the absence of appropriations, this was unfortunately not feasible.

Irmer

We are demanding that the Commission, prior to drawing up a convention to succeed those of Lomé I and II, should present a plan containing details as to how the Development Fund can be incorporated into the Community budget. And there is no point in trotting out the argument to the effect that matters are difficult enough as they are, given Member State reticence over an increase in Community own resources. Granted, it's difficult but there are no obstacles in the way of maintaining the current level of Member State contributions to the Development Fund and, simultaneously, incorporating them into the Community budget. Precedents exist, I take issue with those who maintain that such a course would call into question the whole system of Community own resources. If comprehensive financing through own resources should prove impossible, then it would be a helpful measure to at least include the Development Fund in the Community budget so as to make provision for Member State contributions in percentages on the revenue side of the budget; this would be a first step which would represent considerable progress.

The report of the Court of Auditors for the financial year 1982 highlights a number of disturbing cases. I shall merely mention in passing the failure of the Sibiti Valley road project from the Niari to the Congo, a spectacular failure, in which everything that could have gone wrong actually did so, resulting in a spectacular bankruptcy. We were, nevertheless, of the opinion that one should not overestimate the importance of such cases. It quite naturally captured public attention but one such failure should not give rise to the generalization that projects sponsored by the Community Development Fund tend to be mismanaged, for the contrary is the case.

I should like to pay tribute to the Commission. It displays a willingness to learn from its mistakes. If I compare the hospital in Mogadishu, which was a Community-sponsored failure, with the manner in which hospitals are designed at present — I was able to inspect the plans for a hospital in Kivu, Zaïre — I am convinced that the Commission has learned from past mistakes, has taken account of our criticism and put everything into practice. All of which dictates the need to avoid over-emphasizing the failures which arise and the need to take a generally positive view of policies in this sector.

I should like to comment further on the political dimension of Community development aid.

The European Community is a more popular donor than anyone else. The aid provided by the Soviet Union calls for no comment. It is confined to armaments against hard cash, with no development aid. But even other donors, such as the United States, international organizations, or unilateral assistance

provided by one or other Community Member State do not enjoy the same prestige in the Third World as the aid provided under Community auspices. The Community is seen as a fair partner in a cooperative endeavour to the mutual advantage of both parties.

We attach no political strings to the aid which we provide, nor do we attempt to meddle in the beneficiary countries' internal affairs and we respect their independence and their status as non-aligned nations. The Community approach has thus met with considerable political success. One need only look at the situation in southern Africa. A country such as Mozambique which, only a few years ago, submitted a request for membership of the Council for Mutual Economic Assistance is now a member of the ACP-EEC group of nations who are negotiating a follow-up to Lomé II. One can hardly imagine a more spectacular success.

In this respect we are exerting political influence. Our non-interference in the internal affairs of other nations enables us to contribute towards keeping the East-West conflict away from Africa. An aid policy with strings attached would make such success unthinkable.

I would, therefore, encourage the Commission to continue in this way, thereby redressing the grievances. I am grateful to the Court of Auditors for its very shrewd annual political analyses and I would hope that Parliament will do nothing to jeopardize the political line pursued under Community development policy; this will underline the truly peaceful character inherent in Community cooperation in this field.

Mr Edward Kellett-Bowman (ED). — Mr President, on a point of order: yesterday I asked you if you would rule on the definition of the Treaty as regards the Saby report. I suggested to you that the last recital and the recommendation actually make discharge divisible, which I do not think is possible under the Treaty. I wonder if your legal advisers have been able to clear up this matter for you.

President. — I have no reply on this specific matter yet, Mr Kellett-Bowman.

Mr Edward Kellett-Bowman (ED). — The problem is as follows, Mr President. Since you are in two minds — or more — is it right that the debate should go ahead?

President. — I think so. I think the wisdom has to be found before we vote.

Mr Saby (S), rapporteur. — (FR) Mr President, I should like to answer the question Mr Kellett-Bowman has just asked me by saying that, in countries which use this procedure, the final discharge is indivisible. Either a full discharge is granted or none at all.

However, Mr President, I should like to discuss the report on the decision on the final discharge to be granted to the accounting officer of our Institution for the 1981 financial year.

I shall start with one or two preliminary remarks.

We are, I believe in a rather exceptional situation, because, according to the financial regulation of our Institution, we have a deadline for discharging the Institution, and its executive, in respect of the budget year. This discharge is both a discharge to the principal authorizing officer, in this case the President, and to the accounting officer responsible for making the financial movements.

So we are in a rather difficult situation this year, because, in 1983, we were asked to separate discharge of the President from discharge of the accounting officer at the last minute. We agreed to this and so today we have reached the second part of the discharge procedure for 1981.

Here, I have to say that this was a very difficult job. Why? Because two procedures overlapped — the disciplinary procedure, which is the job of the administrative authority, and the institutional procedure, which is our job, of proposing that the House grant discharge to the officer responsible for implementing the budget of our Institution.

Those, Mr President, are the problems I came up against in the course of this procedure. There was a continual attempt at interference between a procedure that was not this House's job and the institutional procedure that was our job.

The Committee on Budgetary Control examined all the documents your rapporteur prepared and there are many of them, as you can imagine. In particular, it considered as a working document by report No 89/357 — the original one, not the final version you have here — plus a certain number of dossiers in annex and they provided grounds for the Committee on Budgetary Control to invite the House to grant discharge to the accounting officer for 1981.

But on what basis did it in fact do this? Well, first of all on the statutory and procedural bases that exist between institutions — I quoted Article 72 — and then by pointing out the meaning and the scope of a discharge. The House has only to assess the financial year itself, not the people who are concerned with it, and see whether it has been managed in accordance with our regulations. In the debate, I also said what the situation as regards discharge of the accounting officer for 1981 was, explaining that there were no problems for a very large part, almost 96 % (something which emerges from the Court of Auditors' special report), and that such problems as there were could be put down to the unsuitable way our Institution operated. The accounting officer has to make

constant payments in all the currencies of the world, everywhere, to all and sundry, if I can put it like that. This means asking his cashiers and agents in advance to make payments, although it can often be several months or even a year before the supporting documents signed by the authorizing officer and checked by the financial controller arrive to regularize the accounts.

So here we have a situation inherited from the time when Parliament had fewer members and problems have also built up because the budget for 1981 was not adopted right away.

However, when describing the problem, I said it was very difficult to make a proper check of the financial years prior to 1982. And, in the working documents and the statement I made to the Committee on Budgetary Control, I also said that it was absolutely vital to take the context and chronology of implementation of the 1981 budget into account. Lastly, I said that, although it was not our job to intervene in the disciplinary procedure, it was our job to answer all the problems raised by the Court of Auditors in the Special Report on 1981. And when I did this, I pointed out the extent of the accounting officer's responsibility *vis-à-vis* the remarks the Court had made.

Mr President, honourable Members, those were the grounds on which the Committee on Budgetary Control granted discharge to the accounting officer for 1981.

A certain number of problems, I have to say, still exist in our Institution, which is why the Committee on Budgetary Control invited the Institution, in the proposal for a decision that will be submitted to you, to reflect on things and make them clear, in particular specifying the internal rules and ensuring that the respective independence of the authorizing officer, the financial controller and the accounting officer are better defined, with a view to more coherent rules and operation.

Lastly, we stressed the urgency of providing data-processing equipment and operational terminals so that the problems of imprest accounts are clearer and more transparent.

Ladies and gentlemen, Mr President, those are the reasons why, on behalf of the Committee on Budgetary Control, I am asking you today to adopt the discharge of the accounting officer for the 1981 financial year.

(Applause)

Mr Gabert (S), rapporteur. — *(DE)* Mr President, ladies and gentlemen, I rise to present the report drawn up by the Committee on Budgetary Control on the Commission's proposal for a decision on the

Gabert

discharge to be granted to it in respect of the European Coal and Steel Community accounts for the 1982 financial year. Our committee dealt with this matter at a meeting held in Luxembourg. I should like to take this opportunity of thanking all those who attended, in particular the Vice-President of the Court of Auditors, and the various Commission officials. We were able to clarify everything in the course of a few discussions, with the result that the present report can be a very brief one.

The Commission has already declared its willingness to comply with the greater part of the Court of Auditors' suggestions. We briefly touched on this aspect, on the occasion of the debate on the discharge for the 1981 financial year. This applies, in particular, to the adoption of computerized accounting systems. It also applies to the adoption of uniform accounting methods. It would, furthermore, highlight the usefulness of a cost-effective analysis, to be undertaken by the Commission, on ECSC-sponsored aid projects. That, too, would be welcome.

The motion for a resolution which accompanies this report refers to the desirability of setting precise time limits for the expiration of each of the various phases within an overall aid package, which could result in a notable reduction in administrative red tape. The latter remain, in some cases, quite laborious and both our committee and the Court of Auditors believe they could be reduced. Here too, the Commission has promised to look into the matter. Without wishing to go into details, it is true that the administrative procedures are quite formidable, given that the subject matter covers a whole series of directorates-general within the Commission.

The motion for a resolution contains a stern rebuke over Council foot-dragging on measures in the social field, which meant that, despite the crisis which has prevailed in the steel sector for some time now, the first part of a financial aid package, the need for which was highlighted by the Commission as far back as 1978, only received Council assent in 1982. Something must be done to expedite matters in this area. Once again, as was the case in 1982, two Member States have to be censured, for continued arrears in their payments of the special levy for the financing of social measures for the 1981 financial year. The entire payments issue, as reflected in the balance sheet, has been presented to Parliament. I trust that you have all scrutinized it and I would urge the House to vote in favour of granting the discharge.

Mr Edward Kellett-Bowman (ED), rapporteur. — Mr President, I rise to move two reports. One dealing with the European Foundation for the Improvement of Living and Working Conditions and the other on the European Centre for the Development of Vocational Training.

For several years now Parliament has granted discharge to these bodies and the decisions have been accompanied by observations which have had the effect of bringing about considerable improvements in the accounting and management procedures of both these Community satellites. I am happy to say that they have both endeavoured to carry out the reforms suggested by the committee. Indeed, the improvements in the accounts of these two bodies have constituted an example which has been followed by the Commission and by other institutions in relation to other blocks of expenditure. I would like to thank the staff of both the Centre and the Foundation for the cooperation which they have given to Parliament and the Court of Auditors over the years. I would therefore, Mr President, recommend both these reports to the House for approval.

At the December part-session, Mr Eisma had a report which referred to the Dublin Foundation for the Improvement of Living and Working Conditions and attached to that report was an opinion of the Committee on Budgetary Control which recommended that Berlin be asked to continue to carry out all the social work leaving Dublin to do the environmental work because environmental problems are of increasing significance in Western Europe today. I would hope that the Commission is following up actively this particular suggestion.

I would now, Mr President, like to make some brief comments on my working document which accompanies Mrs Boserup's report on the general 1982 discharge. This working document covers a total of expenditure exceeding 420 million ECU. My observations are to the following effect. First, the JRC where analysis and effectiveness of control procedures are still not adequate. But I will not say there have not been some improvements because there have and the improvements are satisfactory to Parliament. However, there are still shortcomings and the Commission is called upon to act in relation to these without delay. In the 1982 report of the Court of Auditors, there was indication of continuing weaknesses of the JRC financial control services at Ispra. The committee deems that major improvements must still be effected.

Can I turn to the Trade Union Institute, Mr President. The Court of Auditors drew attention to the amount of BFR 750 000 which has been added to a salary reserve for that body. The committee agrees with the Court and we think that the money should result in a reduced subvention if the money is not paid back into the general accounts. It is an irregularity with which we are not happy.

Now the JET undertaking, which had an important day yesterday when it was officially opened by Her Majesty the Queen of the United Kingdom and President Mitterand of France, with Mr Thorn representing the Commission and my friend Mr Seligman repre-

Kellett-Bowman

senting the Parliament in his capacity as Vice-Chairman of the Committee On Energy, Research and Technology. But there are continuing difficulties. Mr President, between the Court of Auditors and the JET joint undertaking in relation to certain matters. I expect these differences to be resolved by the two bodies to the satisfaction of the Court of Auditors in the coming year.

In past years, Parliament has dealt with the matter of European Schools in which I have to declare an interest. Now that the internal auditor has been in office for over a year, it is hoped that the problems, that came to light earlier are being ironed out.

As regards the Centre for Industrial Development, which is mentioned in paragraphs 1565 and 1570 in the Court of Auditor's report, the Committee on Budgetary Control feels that a special report is called for so as to put forward proposals for setting right the unsatisfactory management of appropriations available for the budgetary allocation question.

I would now like to turn to Mrs Boserup's resolution for discharge and I would like to thank her for all the work she has done on behalf of the Committee and of Parliament. It is not easy for such a major thing as the discharge to be advanced by someone in a minority group in a committee but I think Mrs Boserup has worked very hard and done sterling work during this past year. I would like to recommend, particularly, paragraph 8 in her motion for a resolution. It brings out the preoccupation which has troubled the Committee on Budgetary Control over recent years. It is the apparent weakness of the Commission's overall financial management of funds. Members have from time to time expressed their concern at the inadequacy of monitoring results achieved by Community schemes. Members have noted that the Court of Auditors has tended to emphasize this failure of the Commission to appraise schemes fully. It emerges that the assessment of policies is weak and there is a certain inadequacy in the flow of financial information.

This prompts me to suggest that the Commission might usefully turn to a document presented by my Prime Minister and the Chancellor of Exchequer to Parliament, Command 9058 in relation to financial management. This document highlights the fact that even in Member States with long-established procedures there is need to reinforce financial management and to develop a more up-to-date control over policies and systems. The keynote references are adequate planning processes, the review of reforms, strengthening the arrangements for auditing and the establishment of a framework for controlling total expenditure and influencing current developments. This makes available a more relevant information for greater emphasis on value for money. Mrs Boserup quite adequately reflects the concern of the committee in her paragraph 8 and I hope the Court of Auditors will

continue to expose the weaknesses in the Commission's financial management.

Now the main point in the resolution is paragraph 1, which refers to the grant of discharge. The Committee on Budgetary Control felt that the time was not ripe to put forward a formal motion for refusal of discharge because deferral gives the Commission the possibility of putting forward clear suggestions for improvement of these problems which will enable Parliament at a later stage to grant discharge in respect of the 1982 financial year. At present I think deferral is in order.

Now Mr President, may I turn to Mr Saby's report on the discharge of the accounting officer for 1981. I am afraid that anybody who did not know the background of this subject would not have gained any information from what Mr Saby had to say. The points in the special 1982 report of the European Court of Auditors are not answered by Mr Saby and they should be. I see his report as a whitewash of an unacceptable situation. I think it needs to be asked: Are BFR 4 million still missing, equivalent to UKL 50 000? Has Mr Saby found it? If so, he should tell us. If he has not found it, have the financial regulations been carried through? They require that an accounting officer, if he is short in his tills, has to cough up the money himself. I know it is an insurable risk but that is the regulation and I think it should be followed through.

Mr President, it is in your hands to guide the House as to whether we should actually vote on this report. I have suggested, as the Commission is always telling us — a civil servant from the Commission tells me quite frequently — that the discharge granted by Parliament is indivisible and if that is so, if you take recital i which seek to separate the matters to which I have referred from the 1981 discharge to the accounting officer and carry them forward to 1982, then the recommendation that discharge be granted is an attempt to divide discharge and I do not believe that is possible. If, however, Mr President, you decide the House should vote on the matter, I hope fervently that the House will have the wisdom to reject Mr Saby's report.

Mr Aigner (PPE), rapporteur and Chairman of the Committee on Budgetary Control. — (DE) Mr President, ladies and gentlemen, the annual discharge exercise is an appraisal both of the budgetary accounting execution and of the political will demonstrated by the budgetary authorities, Parliament and Council, via the Commission, as executive authority. Furthermore, in the case of the 1984 discharge — this should be understood as simply forming part the continuity of our task — it should certainly be viewed as a global judgement on the manner in which the Commission has acquitted itself in the course of the past five years since the first European elections by universal suffrage, both as a Community organ and, more especially, in its cooperation with the European Parliament.

Aigner

It cannot be denied that the past five years have seen notable successes in parliamentary control and in Parliament-Commission cooperation. When I see the top-ranking Commission officials who invariably attended our committee meetings — Director General Strasser, Mr De Koster, Mr Reinke, Mr Benning and Mr Lentz — and who are present today in the House, then I have to say that we have experienced a truly cooperative effort rooted in good will and mutual comprehension. That cannot be denied. Nevertheless, I should like to highlight the following, in the context of Article 205 of the EEC Treaty. As you are aware, Commissioner Tugendhat, an elementary component of almost every discharge decision by this House has been a reference to Article 205/EEC. The matter is much more difficult this year than has been the case in past years, for our committee has decided unanimously, with one abstention, to defer granting the discharge at present.

We came to the conclusion that failure to fully assume its collective responsibility as a Community organ was gradually resulting in the Commission's assuming the role of the Council's accomplice and of its degenerating into an arbiter in conflicts involving Member State interests. Ministerial and cabinet interests have considerably reduced the collective responsibility and with it, I feel, the Commission's negotiating capacity. The Commission all too readily relinquished its most powerful asset — the right of initiative — by drawing up accommodating compromises to even the most exaggerated demands of individual Member State.

Failures in many areas — including agricultural policy, although I still consider it one of the great successes of Community policy as a whole — could have been avoided had the Commission made forceful use of its powers of initiative, as is necessary in any community.

(Applause)

To this must be added the fact that such Commission shortcomings have resulted in the relinquishment not only of its role of locomotive for European unification but, allied to this, it has weakened the *de-jure* and *de-facto* position and simultaneously reduced the European Parliament's room for manoeuvre.

The extent to which the political desires expressed by the European Parliament and also Community law have been flouted can also be gauged from the fact that the Commission, despite Parliament's rejection of the first supplementary budget in 1982, continued to transfer thousands of millions of ECU, as before, in complete disregard of budgetary regulations. Both this House and the Court of Auditors consider your statements to our committee, Commissioner Tugendhat, to be at variance with the budgetary regulations. Here too, the Court of Auditors has a task to fulfil.

A further serious case which was to have been investigated in the context of the 1982 discharge is the

mistakes and, for me, incomprehensible attitude of the Commission towards the contravention of Community law by the UK milk marketing boards. I am not criticizing the policy here. Indeed perhaps the Commission ought to consider its merits as opposed to that envisaged by Community law. The UK milk marketing boards' policy, however, contravenes that law, and the Commission failed to take disciplinary measures, the result being a loss to the Community of some 750 million ECU for the marketing year 1978/79 alone. The Commission raised objections, but continued with business as usual, with the result that the milk marketing boards are now crying: 'But the Commission allowed it!'

The Commission's failure to take decisive action at the outset now makes legal action in the next few years unlikely. The great majority of the members of our committee are at a complete loss to understand the Commission's attitude here. Were such a violation of Community law to go unpunished it would set a dangerous precedent for one or other Member State should it also wish to flout the law.

A further serious case is, I believe, the Commission refusal — in violation of Parliament's repeatedly-expressed desire — to implement a Christmas butter scheme. This House called for the urgent implementation of such a scheme, both in 1982 and 1983. The Commission advanced calculations from abortive Christmas butter schemes of previous years to lend substance to its refusal. We assured the Commission, at the time, that there was absolutely no risk factor for, irrespective of the quantity of additional butter thus disposed of, the subsidy factor could never exceed 33%. However, the Commission is currently spending 70% and 75% of the product value, respectively, on inter-Community marketing organizations. Commission policy has thus resulted in a loss to Community coffers of millions. We shall still be talking about it years hence.

A further point — and heaven knows, Commissioner Tugendhat, this is not the first time we have discussed this — is the Community's food-aid policy. I would ask you to take a look at this report of the Court of Auditors, and those of the Parliament. To mention only one case, this House has used the urgent procedure to instruct the Commission to implement immediate emergency and disaster-relief aid. Although it had been approved, it only arrived after a delay of 15 months! Surely you would not argue that such behaviour constitutes execution of Parliament's instructions! The real disaster is to be found much closer home, in the Commission's poor implementation of the Community food aid programme.

To echo Mr Irmer's comments, a short while ago, I would add that the type of criticism which both the Court of Auditors and this House have quite rightly felt obliged to make for years now is not likely to

Aigner

promote the type of Community development policy we have been urging for just as long but risks, on the contrary, endangering it. The Committee on Budgetary Control, for one, is no longer prepared to simply sit back and accept this situation. One cannot deny that it is, to some extent, a personnel matter, but I would lay the blame squarely on the Commission for its inability, in all these years, to lay down the essentials of a Community development policy, even where this could only be achieved by personnel mobility, albeit of an *ad hoc* nature. This is the very least one might expect from an admittedly cumbersome administrative apparatus.

With regard to the energy sector I fully endorse the criticism voiced both by the Court of Auditors and the Council.

Delays in closing the accounts in the agricultural sector cannot be tolerated any longer. If one can only analyse finalized accounts some 5, 6 or 7 years after the year to which they relate — for better or worse, and perhaps it is unavoidable, the Community operates an advance payments system — when the national accounts of the Member States have been closed, and only thereafter are Community negotiations begun with a view to ascertaining the true extent to which Community law has been complied with or, alternatively, how many millions have been misappropriated in violation of Community law, then it is too late for anything other than compromise solutions. This method of closing the accounts has cost the Community millions!

The Committee on Budgetary Control decided, unanimously with one abstention, to recommend refusal of the discharge. Frankly I cannot imagine what the Commission's course of action will be, were the House to emulate our decision. I should like to call the House's attention to a recent matter and I would ask you to bear it in mind when you come to vote. Those of you who were in the old Parliament will recall the trouble we had with the then Commission when, in connection with the notorious 'malt scandal', this House demanded that the contents of an internal Commission paper be disclosed to us. The latter, pleading the confidentiality of the paper, informed the House that it could not have access to the paper, not even in return for a commitment by Parliament not to reveal its contents. I was chairman of the responsible subcommittee at the time and we had the assent of all political group chairmen to immediately table a motion of no confidence in the Commission in the event of any further reluctance on their part to provide the paper in question. No sooner was he apprised of the matter than the Commission president, Mr Jenkins, immediately furnished the House with the paper in question.

We now have a case which clearly represents a retrograde step viewed in the light of the Jenkins decision. In the case of the UK milk marketing boards we are

merely asking the Commission to disclose the contents of a legal opinion. However, the latter, has retorted that the paper in question is a state document and is therefore not available to Parliament. This is truly a scandalous state of affairs! How can a legal document possibly damage Community interests? Or could it just be detrimental to the Commission's interests? That is as may be, but it is not synonymous with damage to the Community interest.

Should my party, the CSU, the electorate, and the results of the forthcoming elections in my Bavarian constituency make it possible for me to return to this House in July, I shall do my utmost, Commissioner Tugendhat, to have the new Committee on Budgetary Control constituted as a committee of inquiry. If that is possible we shall no longer have a repeat of the spectacle to which we were treated at the last meeting of the Committee on Budgetary Control in which the Commission forbade one of its officials to appear before us.

In taking account of this litany of woes I am forced to conclude — notwithstanding the personal esteem I have for Commissioners Tugendhat and Andriessen — that the Commission is no longer fulfilling its institutional role in the manner laid down in the Treaty. It has reflected its role of Community locomotive by being over-eager to appease the Council with compromise formulas which were not even called for. Parliament's judgement here is unambiguous.

I have been asked to introduce Mr Key's report, on behalf of our Committee on Budgetary Control, on the clearance of the accounts of the EAGGF Guarantee Section. I have been allotted some 15 minutes' speaking time in all, since I shall also have a few words to say on behalf of my group. We have taken great pains with this report and I should like to thank the rapporteur for his endeavours. However, I would point out that we must give pride of place to keeping alive the Court of Auditors' report, as called for by the Community heads of State or government at the Stuttgart summit last May. Right now I can only go over the main headings. We are demanding that the Commission streamline its administrative committees which seem to have proliferated enormously. It is scarcely believable: We had over 600 study- working- and administrative committees at the Commission. Growth rates of 20 % and more were not uncommon. It was an anomaly which had got financially out of control.

We are grateful to the Commission for losing no time in implementing the suggestions in the Boserup report on the streamlining of such committees. Some 140 such committees were thus done away with. The number of committee meetings was reduced. Substantial savings were made, and that is no mean achievement. We must, nevertheless, continue to prune this sector even further, for its proliferation is so impairing the Commission's negotiating capacity as to imperil the Community. This cannot be tolerated any longer!

Aigner

Specifically there is a need to improve the flow of information in the agricultural sector. Proper accounting methods must be introduced, in particular with regard to advance payments. We have had exhaustive discussions on ways to improve the disposal of the Community's butter intervention stocks. Our stocks have now reached 900 000 tonnes, and we have suggested that dairy butter should be sold on the internal Community market at approximately 50 % of its current price, that is, at the same price as margarine. There seems to be no viable alternative for disposing of such stocks. It is nonsensical to subsidize Community butter sales to third countries, to the tune of 70 to 80 % while refusing to subsidize intra-Community sales. It is simply intolerable. It is both psychologically unacceptable and financially misguided.

A final comment on Parliament's discharge for the 1982 financial year. We have not, by any means, rounded off our deliberations on the matter, and we shall have to go into it once more, as soon as the new Parliament convenes. But I would hasten to assure my friend, Mr Saby, of one thing: our deliberations on the 1981 discharge were painstaking and laborious. Without wishing to expand on the matter here, for it is a delicate one, I would just point out that the Committee on Budgetary Control's decision covers no more than the motion for a resolution as tabled by you, whereas its justification, inasmuch as it was reflected in your speech, is entirely your responsibility as rapporteur. I felt it incumbent on me to state as much, in order to prevent any misunderstanding.

Our committee has always received the unqualified support of the House, which has been instrumental both in ensuring the effectiveness of the parliamentary control function and in forging a partnership. In adopting the ultimate sanction, namely by refusing to grant the Commission the discharge, our committee has been acutely aware of its responsibilities. I would urge the House to enhance this parliamentary weapon, not merely with a view to strengthening the power of Parliament alone, but also with a view to eliminating undesirable developments in Community policy, thereby enabling the Commission to assume, or rather to regain, its role of Community locomotive, an indispensable element for the continuation of European integration.

IN THE CHAIR : MR ESTGEN

Vice-President

Mr Gabert (S), *rapporteur*. — (DE) Mr President, ladies and gentlemen, it was no easy task for me to present a report on frauds against the Community budget. To provide extensive examples of such malpractices would be tantamount to publishing a manual for aspiring embezzlers and that was not the

object of the exercise. Hence my decision to provide no more than a limited number of examples, in order to demonstrate the more flagrant frauds which are perpetrated. I followed this up with several analyses, and the latter provide the background to the suggestions contained in my report.

I should like to highlight the main thrust of my report, in which I have tended to concentrate on the necessary remedial measures. In so doing I would like to thank all those who have contributed to the compilation of this somewhat extensive report, amongst whom I would single out the Court of Auditors of the European Communities, individual Member State courts of auditors, officials of the Commission of the European Communities and, in particular, those in the external affairs section. They all provided vital assistance in the compilation of this report. The essential factor underlying the suggestions and demands of Parliament in this area can be summarized as follows: Member States are fully justified in demanding that the same degree of control be applied to Community financing as that which they themselves apply to national finances. This, alas, is not always the case, as can be gathered from my report. The Council of Ministers must be prevailed upon to refrain from taking decisions on Community financing exclusively on the basis of maintaining the existing balance between the Member States but should give pride of place to wider Community interests. This applies also to control and viability of Community financing.

The Council of Ministers should be censured in the strongest possible terms for its sluggishness in adopting measures to deter frauds against the Community budget. The Commission is still waiting to be granted a set of powers which are essential if it is to play a role in this field. Up till now neither the Council of Ministers nor individual Member States have been successful in closing those loopholes in the Treaty under which some Member States currently treat Community finances as public resources. It has not yet, therefore, been possible to enact uniform Community legislation in both the civil and penal code, in cases of violations of the Community interest. Such is still true today.

The Commission has endeavoured to harmonize Member State perceptions of Community law. The regulations and areas of responsibility covering both the prevention and combating of fraud, and the control function must be standardized. In this area Parliament must be particularly energetic in its support of the Commission's deliberations. It is vital that the Council should lose no more time in endowing the Commission with powers to effect on-the-spot investigations in the Member States. A flying squad, consisting of Commission officials and national civil servants must be set up to carry out such on-the-spot investigations. The Commission's ability to uncover misappropriations of funds must be consid-

Gabert

erably stepped up and Member States must be encouraged to harmonize their penal codes and their statutes of limitations. Delays by the Commission in uncovering malpractices could constitute an obstacle to civil and penal proceedings. Fraudulent practices must be uncovered as quickly as possible. With regard to the 1985 budget it will be necessary to augment the number of anti-fraud personnel. Both the Member States' courts of auditors and the Court of Auditors of the European Communities can lend invaluable support here. Both Council and Commission should enter into a dialogue with third countries which, through their legal provisions on extradition, practically offer succour to perpetrators of transnational economic crimes. Those are the main points which the analysis, as reflected in my report, highlighted.

I trust that this report will provide the basis for a more vigorous approach in this area by the new Parliament. The actual amounts accounted for by the malpractices uncovered are, of themselves, quite modest but one has to assume that this is no more than the tip of the iceberg. It must be clearly understood that fraudulent practices undermine our Community politically. Such frauds, quite naturally, tend to be perpetrated primarily in areas where the administrative machinery is weak, where the legal penalties imposed for fraud are not so harsh and where complex Community financial provisions afford greater scope for the would-be embezzler. There is now a case for subjecting certain Community provisions and market regulations to scrutiny. Some will inevitably fail to withstand such scrutiny, proof that they can be dispensed with.

I would also recommend the House to read the justification which accompanies this report, for it expands on the analyses underlying the motion for a resolution. I trust the report will stimulate a more thorough and extensive approach to the control function. I should like this, my last report to this House, to be a legacy to the new Parliament, for the control function is the most crucial of all powers invested in a parliament.

(Applause)

Mrs Boserup (COM), rapporteur. — *(DA)* Mr President, I shall now present the short report on the Commission's operation of committees and groups of experts. Mr Aigner has already spoken at length on the matter, so I can be brief. It is a moving story with, for the moment, a happy ending. When it adopted the budget, the Assembly blocked half the Commission's resources for these committees and groups of experts in order to force the Commission to work towards a rationalization and a limitation of this primeval forest of committees which we had witnessed. This move was successful to the point that I, who had been chosen as rapporteur, got 1 800 pages of paper to read about all the good work that these groups of experts and committees were doing. It was of course not

possible to draw a final conclusion from this and, as the blocking of the funds gave rise to such serious problems, for the management committee and the like, which have a certain status and serve a certain purpose, we had to adopt an interim report last September which released the money and set guidelines for what we actually wanted. I got a very positive reaction from the Commission in February on what it intended to do. I cannot of course stand here and say that we achieved complete success, because things take time. But committees and groups of experts have been wound up. Some have been put in suspense — or mothballed, as they say — and some have been merged with others, so savings have been made or are expected. Clearly we must keep an eye on things so as to be sure that the intended developments actually take place.

Now I come to what has been of vital importance to me in this affair. It is not really so much the money that goes to pay people from our home countries to travel to Brussels and sit on this or that committee. It is the time wasted on it, and the confusion in the decision-making process to which this continual round of meetings on ridiculous things gives rise: whether it should be possible to sell dog and cat food in jars instead of tins, and that kind of thing. One cannot stick it out and listen to it all, and I should very much like us — this is set down in my motion for a resolution — to call on the Commission to examine the possibilities of using modern technology for the solution of such problems. We talk a lot about taking an interest in informatics and telematics. After all it should not be such a complicated business when you think of the time that the telephone and the telex have been around. I strongly advocate cutting down on these meetings. Some may well be malicious enough to say that officials and experts from the Member States like these little trips to Brussels; but that is no reason why they should use up their time on them. The Commission's officials also spend time on preparing meetings and chairing them, and generally speaking there is very little point in any of it. Hold long and thorough-going meetings when it is absolutely necessary and do away with all the other piffling nonsense! I recommend my report for adoption.

(Applause)

Mr Tugendhat, Vice-president of the Commission. — Mr President, although there are a number of speakers still to come and the time of the House is, I know, very limited, there have been some important points made during the course of the debate. I hope therefore that the House will bear with me if I make a rather lengthy speech, as I think it is extremely important to be able to place on record the Commission's responses — which are, I believe, strong — to some of the suggestions that have been made by Mrs Boserup, Mr Aigner and others.

Tugendhat

The first report on the agenda is that drawn up by Mrs Boserup concerning the discharge to be granted by the Commission for its implementation of the budget in 1982. Here the Committee on Budgetary Control is recommending to Parliament to defer the grant of discharge. The Commission, of course, regrets that the Committee on Budgetary Control has not recommended that Parliament grants discharge *now* to the Commission. In the Commission's view, much of the criticism addressed to it in Mrs Boserup's report is ill-founded.

I have explained the Commission's view on a point-by-point basis orally to the Committee on Budgetary Control and I have also sent a written statement to each of its members. This statement analyses each of the criticisms addressed to the Commission. It concludes that on all the points of substance the criticisms do not accurately reflect the facts. I should perhaps point out to Members of Parliament who are in the hemicycle now but who are not members of the Committee on Budgetary Control that if they wish to receive a copy of the statement that I made and that I have circulated to party groups, I have copies of it here — not, I am afraid, in all Community languages but in French, German, English and Italian. They are available on demand.

In my intervention at the meeting of the Committee on Budgetary Control on March 28, I provided the Commission's response to each of the eight specific points raised by the committee. These points concerned disturbance of the interinstitutional balance, rejection of the draft amending and supplementary budget No 1 of 1982, the overruling of the financial controller, Christmas butter, development policy, energy, budget implementation and management in general. Mr Aigner in his speech dealt in detail with these points, and I will myself be dealing in detail with the central point of the institutional balance. However, in view of what Mr Aigner said in his speech, I do not think I can, as I had originally intended, simply leave my statement to the committee to speak for itself. As he made a number of points in the Chamber in the full session of Parliament, it seems to me that I must reply in detail on at least two of them, namely, the bank accounts and the Christmas butter. Listening to Mr Aigner, admittedly through the headphones and through interpretation, one might have had the impression that the Commission had sought in some way to undermine the wish of Parliament. I really must emphasize that that is not so and I reject absolutely any suggestion of the kind. Because, Mr President, the central point is this: the special accounts which we opened were not in the name of the United Kingdom nor of the Federal Republic of Germany, they were in the Commission's name. Consequently the funds remained at the sole disposition of the Commission. The existence of these accounts facilitated transparency and control. They provided no advantage to the countries in question.

When Parliament took its decision, which it has every right to take, it made it quite clear — I remember it well — that it was not calling into question a Community obligation. Indeed, it lived up to that assertion because a couple of months later it did actually pass a supplementary budget, fulfilling the obligation. The Commission was bound first of all to take seriously Parliament's point that it was not calling into question an obligation and, secondly, to try to avoid generating instability on the foreign exchange markets by acting prudently and by acting over a reasonable period of time.

We were guided throughout by reasons of sound financial management and by the determination to avoid any negative repercussions on the foreign exchange markets. Had Parliament changed its mind, had Parliament in the event not passed the supplementary budget in the following year, carrying into effect those payments to the United Kingdom and Germany, we would have been able to close down our accounts and to withdraw the money immediately. It brings me back to my main point on this issue: the accounts remained in our name throughout and I think that it is important for Parliament to bear that in mind.

The other point on which I would like to refer specifically to what Mr Aigner said concerns the Christmas butter. This is a point, of course, where we have had disagreements in the past. However, on the subject of Christmas butter I have made it quite clear — as, indeed, has my colleague, Mr Dalsager — that much as we would like to undertake an exercise as popular and as socially desirable, in many respects, as the Christmas butter operation, it is extremely expensive and the true budget costs of generating additional sales were, even with a scheme introduced at a relatively early time, seen to be very high.

The view that these forms of internal disposal are not an economic way of trying to deal with surpluses was, of course, supported by Mr Delatte, the draftsman of a report on Christmas butter by the Committee on Agriculture. In that report he expressed 'the strongest reservations on the so-called Christmas butter schemes, which are highly costly and have a very limited effect'. I think that what Mr Delatte said at that point was correct. Internal disposal schemes of the Christmas butter type, popular and socially desirable as they are — we would like to be able to undertake them — are bound to involve substitution for normal sales. Consequently the costs of genuinely additional sales are relatively high. Moreover, in 1983 the budget situation was not, of course, conducive to the introduction of any additional costs at that time.

Mr President, I could go through all the other points which I made in committee, but for reasons of time I do not think that I would wish to do so now. I do, however, think it right to mention the Commission's position in connection with what constitutes the most

Tugendhat

important criticism in the report. This is the accusation that the Commission has, over the years, disturbed the interinstitutional equilibrium envisaged under the Treaties in a manner which has weakened its own position and undermined that of Parliament. Again, I reject that criticism and I would like to do so on the basis of an examination of the facts.

On numerous occasions the Commission has responded, very positively, to the wishes of Parliament. For example, the Commission's response to the report of the four rapporteurs which listed difficulties encountered by Parliament in connection with the budget and control gave rise to the agreement of June 1982 between the three institutions. This agreement provides solutions to the difficulties which have been raised. It was the Commission which played a central and positive role in the entire exercise. A further example is provided by the Commission's initiative in the legislative conciliation procedure which was introduced in 1975. This procedure has been used on many occasions in a manner which has been very positive with respect to Parliament. I cite, for example, borrowing and lending in connection with NCI 3, energy demonstrations projects and the revision of the Social Fund. Yet another example is provided by the modification of the Financial Regulation. This regulation is of vital importance to the exercise of the powers of the institutions, none more so than Parliament's. On no point of consequence do the modifications proposed by the Commission fail to support the position of Parliament. I might add, too, that very recently the Commission, in connection with the proposals concerning the special measures in favour of the United Kingdom and Germany, modified its position in order to accommodate Parliament's wishes. We then vigorously and successfully defended this revised position against the Council.

Mr President, these are powerful examples and they are more eloquent, if I may say so, than generalized accusations. Now, of course there are instances where the Commission has had what it regards as good reasons for doing so. Moreover, it has explained these reasons to Parliament. I will cite one example, an example which, perhaps, Parliament could do well to ponder, namely, Parliament's resolution on agricultural prices for 1983/84. In that resolution Parliament called for price increases of no less than 7%. The Commission did not endorse that view and, indeed, the Council decided on an increase which averaged only 4.2%. Even with this relatively modest increase the main budgetary impact of which falls in the current budgetary year, the Community budget is not able without considerable distortion to finance the resulting costs. The difficulties for the budget, had the increase been 7%, would by definition have been even more acute. I think we were right not to accept Parliament's opinion on that occasion, and I think that subsequent events have proved that to be so.

The Commission can, of course, fully understand the tendency of honourable Members to give credence to

the observations of their colleagues and to discount the counter remarks made by the Commission. I will, therefore, not dwell longer on individual counter arguments which I could put. I would however ask honourable Members to consider the criticisms in the report now before the House in relation to the observations made by various rapporteurs or by Parliament itself in connection with the discharge granted to the Commission in earlier years. I must say that those opinions of Parliament, those statements by Parliament's rapporteurs, stand in stark contrast to the sweeping accusations made today by Mr Aigner and Mrs Boserup.

For example, in connection with the discharge for 1979, Mr Irmer, the rapporteur for the discharge, told Parliament that the action taken by the Commission on Parliament's remarks had been excellent. He went on to say that the Commission has reacted extremely positively on the implementation of the 1979 budget. A year later Mr Key, the rapporteur for the 1980 discharge, spoke of the many very positive developments. Parliament itself, in its resolution of 16 December 1983 — in other words, only four months ago — referred to 'the positive reaction of the Commission as reflected in the concrete changes of a political, procedural and accounting nature that have resulted from Parliament's resolutions on the implementation of the 1980 budget'.

The Commission fails to see how, in the light of such judgements, the criticisms of the Committee on Budgetary Control can now be valid. One draft amendment that has been tabled in connection with this report envisages the refusal of the grant of discharge to the Commission. This amendment is clearly unacceptable to the Commission. The alternative choice facing Parliament is to postpone the grant of discharge. If this alternative is supported by Parliament, the Commission undertakes to provide Parliament with further detailed replies to the criticisms and to submit proposals before the end of September this year. I think that that is what Mrs Boserup was demanding. I think that is what a number of other speakers in the debate were demanding, and I can assure the House that the Commission will do whatever it can to meet whatever requests are made to it by the Committee on Budgetary Control, or, indeed, by individual parliamentarians.

The next point on the agenda on which I think I should comment on behalf of the Commission concerns the discharge for the ECSC budget for 1982, prepared by Mr Gabert. The Commission wishes to thank Mr Gabert for preparing this favourable motion for a resolution. Concerning specific points in the motion for a resolution, the Commission will, as requested in paragraphs 1 to 3, do all it can to improve information and various accounting systems. It will also apply the suggestions for the choice of lenders and control of loans. Concerning paragraphs 4 to 6 on redeployment aid, the Commission is happy to submit a regular report. It is also prepared to

Tugendhat

examine changes in administrative procedures and to make the rate of ECSC assistance flexible. None the less, on these last two points, as has been pointed out to the rapporteur, certain difficulties may lie ahead which will need to be weighed against the interests of the Coal and Steel Community. Paragraph 8 deals with the delay in payment of contributions by two Member States, where the Commission will do all it can to ensure that they honour their obligations to the Community. On paragraph 9, the Commission will continue to adjust the general objectives for steel to the requirements of the situation.

I now turn to the budgetary discharges for 1982 concerning the Centre in Berlin and the Foundation in Dublin. Here the Committee on Budgetary Control, upon the advice of the rapporteur, Mr Kellett-Bowman, recommends that Parliament grants discharge. The Commission will draw to the attention of the administrative boards of the two agencies the need for them to do their utmost to take appropriate action on Parliament's observations. A report will be made subsequently in accordance with the normal procedures.

The next report on the agenda — I am sorry to be speaking at such length, but I think if I deal with all the reports at once it will save time — is again prepared by Mr Gabert. The Commission is grateful to Mr Gabert for his motion for a resolution concerning frauds against the Community budget, in particular because it sets this important subject in perspective. Mr Gabert has in the Commission's view made, in its criticisms and recommendations, a necessary clear delineation in its criticisms and recommendations between the powers and responsibilities of the Member States and the obligations concerning rules, which are a Council prerogative.

For its part, the Commission will continue its work on the points upon which Mr Gabert has expressed concern. The Commission shares in particular the points made in paragraph 1 and in paragraphs 3 to 7. It wishes to underline Parliament's call to the Council and the Member States to do all in their power to make available both at a national and at a Community level the legal instruments necessary to combat fraud effectively. This is a field in which the Commission has been active and has submitted a number of proposals to the Council. Some of these have been pending on the Council's table for a very long time.

Turning to specific points in the draft resolution, the Commission wishes to emphasize that giving the title 'flying squad' — I think we owe that title to Mr Cheysson when he was in my shoes — to certain Community staff is absolutely meaningless unless they are also given penal investigative powers. The Commission does not enjoy such powers, and it would be wrong for this House to assume that their acquisition would not pose major political and practical difficulties. Although the concept of a flying squad is attractive, there is considerable logic in the current

Community system of control, which provides that the main responsibility for inspections and for detecting and fighting fraud should lie with the Member States. To the extent that the current system contains weaknesses, it would seem appropriate that this responsibility is fully assumed and the powers adequately exercised.

For the Commission to enhance its control functions, it must be granted suitable means. The Commission is pleased that the Committee on Budgetary Control would like, as stated in paragraph 13, these powers to be reinforced. It is, however, one thing to will the end; it is as we all know, another thing to will the means.

Concerning consultation of the Court of Auditors, which is referred to in paragraph 14, I would remind the House that for many years the Commission has had an agreement with the Court of Auditors to consult the latter on regulations which are of real significance to the Community's financial or budgetary mechanisms.

Paragraphs 17 and 18 deal with VAT frauds. Here the Commission would point out that under present regulations, its powers of control cover only the establishment by the Member States of the Community VAT base. Control of VAT collection is at present the responsibility of the national authorities. The Commission would also warn against the suggestion that the VAT base in each Member State should be adjusted to take account of an estimate of fraud. Not only would any such suggestion raise immense practical difficulties, it would also tend to widen the gulf between the VAT base and fiscal reality in the Member States in a manner which would make the Community's own resources derived from the VAT more like the old financial contributions.

The report on the clearing of EAGGF accounts, prepared by Mr Key, is the next item on the agenda. The Commission welcomes the balance and objectivity that Mr Key has incorporated into this important report. Might I take this opportunity to express my personal regret that Mr Key will not be able to contest the election and thus have the opportunity to continue his excellent work in the new Parliament.

The Commission, as the House knows, is aware of the importance attached by Parliament to a reduction in the backlog associated with the clearing of these accounts. In recent years, this backlog has been reduced. The Commission will continue its efforts to reduce further the delays. However, the work involved, as the rapporteur acknowledges, must be carried out in a thorough manner. This thoroughness has meant that during the period from 1974 to 1979, the Commission has refused 350m ECU of expenditure declared by the Member States. Not only is the sum of money important, but the entire exercise makes a valuable contribution in helping to ensure that the agreed rules of the CAP are applied in a uniform manner.

Tugendhat

The Commission, in connection with paragraphs 6 and 11, would also like to point out that the speed with which the clearing of the accounts is completed is not something over which the Commission has entire control. It is necessary for the Member States to cooperate with the Commission, and with the best will in the world, they cannot always respect the time limits which may be set.

Concerning paragraph 10, I would ask the House to take note of the fact that its decisions are, and will continue to be, prepared on the basis of sound legal procedures. In order to judge the legality of individual cases, all relevant facts must be assessed. It is wrong to describe this assessment as a 'negotiated compromise'. In connection with paragraph 12, the Commission undertakes to carry out the examination requested, which, along with others, will be dealt with in a feasibility report requested in the motion for a resolution.

I now come to the last report on this part of the agenda. That concerns the rationalization of committees, where the text was again prepared by Mrs Boserup. Here I would like to recall that the Commission last year reviewed all of the committees and groups of experts in order to rationalize, where necessary, their activities. This review also took account of Parliament's wishes to improve the consultative role of such committees. This review, as indicated by the rapporteur, has led to results. The active committees which remain are those which reflect Commission priorities. Moreover, improvements in the administration and budgetary management of the system have been introduced. The Commission is pleased that the results of its work are recommended for approval by Parliament. I would simply add that the Commission will continue to review the activities of committees and groups of experts according to the wishes of Parliament and will keep Parliament informed.

That brings me to the end of what is, I fear, a long speech because I have dealt with so many committees. It could have been longer had I taken up all the points which were raised in Mr Aigner's original speech, apart from the two that I did. I would therefore repeat, for the benefit of those Members who have come into the House since I started speaking, that copies of the statement which I made to the Committee on Budgetary Control, which has been sent to the political groups and which deals in detail with all the points raised by the Committee on Budgetary Control, are now available in most of the Community languages — Dutch, English, French, German, Italian and I think I am right in saying that we have them in Danish, too. I hope that Members of Parliament who wish to have further clarification on the points which I have not covered, although I have spoken for nearly half an hour, will come to me and receive a copy of this document.

(Applause)

President. — Mr Aigner, you asked to speak on a point of order. Are you certain that it is a point of order?

Mr Aigner (PPE), Chairman of the Committee on Budgetary Control. — *(DE)* But of course, Mr President; otherwise I would not have raised a point of order. I do not wish to anticipate my colleague, but I simply cannot let the Commissioner's remarks go unanswered. I would therefore ask you to allow me, in my capacity as chairman of the responsible committee, to comment briefly on his address, at the end of this debate.

President. — All right, Mr Aigner, I shall call you at the end of the debate.

Mr Arndt (S). — *(DE)* Mr President, speaking time seems to be allocated in a rather curious way here. I ought, therefore, to point out that I have been appointed sole speaker on behalf of my group, the Socialists. Consequently, I must ask you to allocate to me all of the Socialist Group speaking time, including the right of reply which Mr Aigner as rapporteur has just requested, and which you have granted.

President. — I would point out that Mr Aigner was also speaking for the Socialist Group.

(Laughter)

Mr Arndt (S). — *(DE)* No, Mr President, I am afraid you have misunderstood. Mr Aigner spoke both on behalf of his group and also introduced Mr Key's report, which was, as such, Socialist Group speaking time. This should not have been allowed. Hence I am requesting that you allocate to me both Mr Key's and Mr Wettig's speaking time, which I shall not use up fully, since I feel we ought to follow the practice, in matters of budgetary control, of concise factual comment, rather than long-winded speeches.

On behalf of the Socialist Group I can tell the House that we endorse all the reports in this debate on budgetary control. I am grateful to all those who, while not being members of the Committee on Budgetary Control, have nevertheless taken the trouble to attend this crucial debate. I would be obliged to you all if you could once more impress upon your respective groups the importance of the budgetary control powers of the European Parliament, for they are, under the Treaties, the most substantial rights enjoyed by this House. The budgetary control power invested in this Parliament goes beyond the power enjoyed by national parliaments. It is to be hoped that Parliament will fully assume this most-developed of its rights. I hope that the task, so successfully accomplished by the Committee on Budgetary Control in past years, will be carried further in the course of the new legislature and that this Parliament will appreciate the true worth of its budgetary powers in helping the Community to progress.

(Applause)

Arndt

And now to the matter of the discharge for the 1982 financial year. May I once more cover the content of the report and decision. Nowhere does it say that we are refusing to grant the discharge, as one or other rapporteur has stated. That is untrue. It would be more correct to say that we have deferred granting the discharge. This calls for particular emphasis, for I fear, Commissioner Tugendhat, that if you give the many complaints voiced by Parliament the same short shrift which characterized your address to the House, then a refusal to grant the discharge will, indeed, follow in the wake of deferral.

(Applause)

At the root of this problem lies a misconception of the role of Parliament and the function of Budgetary Control in general. The Commission should take serious steps to remedy this. I can only repeat what has been said so often in the past: Budgetary inspection must, of course, be done on the budget as a whole. Parliament has, however, the particular task of verifying the utilization of budgetary modifications which were made at its request. The right to make such budgetary modifications, as enshrined in the Treaties of Rome, is the tangible expression of Parliament's prerogative to lay down priorities. Budgetary inspection, therefore, is also reflected in such modifications, which are the tangible expression of Parliament's desires. It also reveals, however, the extent to which the Commission is prepared to recognize the role assigned to the European Parliament, as enshrined in the Treaties of Rome, but also, and to a much greater extent, in the mandate conferred upon Parliament by Community citizens at the ballot box.

The non-utilization by the Commission of some 112 700 000 ECU out of a total of 203 300 000 ECU in budgetary modifications voted by this House reflects, Commissioner Tugendhat, a contempt both for this Parliament and for the Community electorate.

(Applause)

If the Commission persists in pursuing such a course, then I can only hope that the new Parliament with, I hope, the stout support of the Community electorate — will lay the blame for mistakes in Community development squarely at the door of the Commission and not allow it to be ascribed to this House.

In your address to the House, Commissioner Tugendhat, you referred to Parliament's rejection of the first supplementary budget for 1982. You maintained that the opening of the accounts in question conferred no advantage on the Member States concerned. On behalf of my group I should like to give the House an unqualified assurance that our investigations substantiate the Commissioner's statement. The currency exchange rate operations gave no advantage to the United Kingdom. That having been said, however, the accounts were opened by the Commission in violation of the clearly expressed wishes of Parliament. In spite of the sensible grounds

the Commission may, or may not, have had for opening such accounts, it cannot excuse your failure to approach Parliament, or the Committee on Budgets, or the Committee on Budgetary Control and outline your intentions.

Parliament had no option but to see in the opening of these accounts a desire to circumvent its political will.

I can only marvel at the pains you went to to prevent any harm being inflicted on the Community, while adopting a stance on the Christmas butter scheme which ultimately cost the Community countless millions of ECU. You are right in saying that such a scheme would have been costly, but the course you are currently pursuing is costing us much more, for the Christmas butter, had you given the green light, would have been consumed by now, rather than, as at present, being stored at the Community's expense. Should you find customers for that butter the Community will have to foot the bill for taking it out of storage. I suggest, however, that by that time we shall have to pay to have it destroyed, for it will no longer be marketable. In the meantime you have until September to explain to Parliament how you intend to provide a substitute for the admittedly expensive Christmas butter disposal scheme. I would, however, draw your attention to the obvious lack of alternative schemes of the type you hinted at. Nevertheless I shall not deny you the chance to prove that your scheme was economically more viable than that mooted by this House. If this should not be so, however, the Commission will be answerable to Community citizens and taxpayers for the extra cost thus incurred.

There is not enough time to comment on ancillary aspects at this stage. I only hope that the Commission appreciates the philosophy which dictates Parliament's course of action, that is, that we have, under the Treaties of Rome, and at the ballot box, been entrusted with a task which is the highest honour one can possibly have. A further comment on the Saby report should illustrate this point. It has to do with the discharge for the 1981 financial year. In raising such an issue at this juncture I do so only because it concerns a letter from the President which was only clarified in 1982 and included in the discharge for that year, for it concerns the still unexplained shortfall of 4 000 000 Belgian francs — the matter of the correct or incorrect recording of the cheques. These matters were not treated in the 1981 discharge, but were carried over to 1982 and it behoves us all — whether rapporteur or whoever — to tread warily and refrain from all comment at this stage of the 1982 discharge. Some critical checks remain to be carried out.

A final comment on the Gabert report. I believe we all have an imposing task before us. At electoral meetings we have been criticized by a great number of people for a lack of consistency and honesty in the running of the EAGGF-Guarantee section. The

Arndt

Gabert report is an attempt to answer those accusations. I would be grateful to all political groups in the House, and to the Commission, if they would devote particular attention to this point so that in the course of the next legislature we might shed some light on this question and allay the fears of those who suspect massive frauds in this field. It is, nevertheless, desirable for the Community to assume the control function, rather than leaving it exclusively to national civil servants. This is not meant to cast suspicion on the latter — no Member State has the right to do so — but where Community funds are involved, it is only right that the Community assumes the control. To sum up, then, I consider the budgetary control function, as exercised by the directly-elected Parliament in our first legislative period, to rank with the most important we have accomplished.

(Applause)

Mr Konrad Schön (PPE). — *(DE)* Mr President, ladies and gentlemen, I am obliged to Mr Arndt for having so clearly identified the nature of Parliament's real powers. There can be no doubt that this resides in our control function.

If I am to judge from your address, Commissioner Tugendhat, I would have to say that you have not grasped the point. You would have been better advised to take note of the individual points raised by the Chairman of the Committee on Budgetary Control and provide answers to them. You made no attempt to contest the point that the Commission had failed to make full use of its right of initiative; you also expounded a remarkable theory on the subject of the accounts which the Commission opened, in anticipation of the budget rebates in which, in my opinion — and my colleague Mr Notenboom will be taking up the matter on behalf of our group a little later — you even cast into doubt the own-resources concept; You said, almost nothing about the UK milk marketing boards — yet another speaker will be dealing with this, later; you nimbly side-stepped the issue of the Christmas butter scheme.

Commissioner Tugendhat, on the issue of the Christmas butter scheme, and to continue where Mr Arndt left off, if you are obliged to transform the butter into industrial fat the subsidy factor will be around 75% and you were unable to counter this argument. Had you acceded to the Christmas butter scheme as proposed by the Committee on Budgetary Control, the comparable subsidy factor would have been between 30 and 33%. Such are the facts! When the Commission, which in the above example revealed such profligacy with the Community taxpayers' money, in the same breath advances the argument that the figures speak eloquently in favour of granting the discharge, then I am inclined to urge refusal of the discharge! Last year I was the coordinating rapporteur for the Committee on Budgetary

Control and we decided to defer the discharge. A majority of the Committee is now in favour of pursuing this course for the third time, in which I was of the same opinion as Mrs Boserup, who originally called, in heading 1, for a refusal of the discharge. The majority view must always prevail within the Committee even though we intend to table an amendment to the effect that we expect the Commission to take Parliament's control powers very seriously.

I readily admit that the tough battle we have joined with the Commission cannot be conducted without keeping one eye on the Council. For the Commission's shortcomings reside in its constant eagerness to curry favour with the Council and in its failure to execute the instructions of Parliament, by proffering the excuse of insufficient legal provisions. If that is the case, then the Commission, as the Community's driving force, should use its right of initiative to exert pressure on the Council.

This is the way matters were arranged, in the Treaties and the echoes from our electoral constituencies lend credence to the views already voiced by Parliament, to the effect that the Commission is indeed perceived as a sort of agent, or general secretariat of the Council. The Community's reputation depends on the Parliament. It is also measured by the strength of the Commission. Hence my conviction that this debate should reflect primarily the political side of the control equation.

The first Community summit revealed the extent of the Commission's weakness. Its role was confined to that of an onlooker! I see no reason for not raising such matters in a debate on the control function since, this is, by its very nature, also a political debate.

The second Boserup report, which deals with administrative councils and committees, appropriately comments that the Commission is top-heavy. We welcome the Commission's efforts to remedy the situation. However, this also has a political background, for we are forced to conclude that many of these committees, far from supporting the Commission's endeavours, actively undermine them — and the Commission is a helpless onlooker! We have, then, not simply to make economies or reduce the top-heavy bureaucratic apparatus, but to rein in and control such committees, rendering them, once more, agents of the Commission rather than semi autonomous offshoots that threaten ultimately to cripple the entire Community.

Even if the House decides to defer the discharge we must still make it clear to the Commission that there was not a single voice in the Committee on Budgetary Control in favour of granting the discharge. This is, after all, a political affair. Whether we refuse the discharge straight away, and a substantial minority of the Committee favours this course, or whether we opt for deferral, the Commission will still, naturally enough, have to justify its own role to the newly-

Konrad Schön

elected Parliament, and the nature of the interinstitutional Commission-Parliament cooperation it envisages. If this debate has acted as a catalyst in achieving that much, then it will have justified the plain speaking we had with each other.

(Applause)

Mr Price (ED). — Mr President, I want to talk about two reports, the Boserup report on deferral of discharge to the Commission and the Saby report on the final discharge to Parliament's accounting officer.

So far as the Boserup report is concerned, I believe that Parliament, in its role as the discharge authority, should be playing a positive and constructive role to improve our Community. In this report we fail to do that. The refusal of discharge, or indeed a deferral of discharge, should be an exceptional procedure. What we should normally be doing is to use our powers under the Financial Regulation to give instructions to the Commission and the other institutions as to how we could improve the execution of the budget, which is such an important part of fulfilling our Community objectives. What this report does is something which I do not believe will be understood by the citizens of Europe. They will see it as Community institutions squabbling amongst themselves yet again, at a time when we ought to be going forward and showing that the Community is capable of undertaking greater responsibilities for the years ahead.

The report includes a paragraph which I regard as one of its most important ones, paragraph 8, which makes a thoroughgoing criticism of the overall financial management of Community funds and describes this being of primary political significance. Now, we know that this Parliament has at other times called for a substantial increase in the resources being given to the Community to administer. How can we go to the electorate and say: we do not have an administration capable of using these funds in a proper way, capable of, for example, appraising schemes, assessing policies, monitoring results and so on? But please give us some more money so that we can throw it down the drain! That is what this report is tantamount to saying, and for that reason I find it very hard to support it.

If one looks at particular sectors like the food aid sector, in the Scrivener report on guidelines for the 1985 budget later this week we are called upon by the Committee on Budgets to vote for action on hunger in the world as one of our main expenditure priorities for next year. Yet, we have in this report, again, an indication that we are not capable of implementing food aid policy. We are totally at odds, on the one hand asking for more money, on the other hand saying that we cannot administer it.

The Committee on Energy, Research and Technology is a committee which has put down an amendment — I see Amendment No 2 in particular that I would

support — which indicates quite clearly that despite the criticism here of the Commission it is, in fact, through the lack of Council action that we have not got what we wanted in the energy sector. Mr President, there are a number of examples here where the committee has, I think, overlooked the fact that its role in granting discharge is to look at the financial administration and to seek to improve it. I do not think it has reached fair conclusions and I do not think it has reached those conclusions in many cases on the basis of complete investigation. In fact, one will see, for example, in the case of the Milk Marketing Board issue, that mention is made of alleged breaches — in other words, we have not reached a conclusion — yet, at the same time, the Commission are criticised for failure to take effective measures to correct the situation as if the investigation was concluded.

Mr President, I, as I say, find it very hard to accept the report as it stands. If I may say, very briefly, on the Saby report: I could not support this report without it being amended. I have put down an amendment together with colleagues — Amendment No 2 — which would have the effect of making quite clear that the committee has further work to do on this report, on this subject, and I would oppose Amendment No 1 which would seek to incorporate a reference to an explanatory statement which the Budgetary Control Committee has explicitly said that it does not wish to include. So, Mr President, I hope that Parliament will support Amendment No 2 and refuse Amendment No 1. In that way, it will clear up the situation in a rather better way and enable the committee to continue its work.

Mr Baillet (COM). — *(FR)* Mr President, I should like to add the opinion of the French members of the Communist and Allies Group to the debate on the various reports on budgetary control. No-one, and we less than anybody, doubts the need for control over the implementation of the budget. It is a rule of democracy and it is a right, enshrined in the Treaties, that we are firmly attached to.

But there is control and control. When the 1983 budget was drawn up, the rapporteur, Mr Jackson, went over the implementation of the CAP budget for 1982 line by line looking for appropriations that had not been used. It was clear what he, as a British Conservative, was doing — using the control to threaten the CAP. We remember that. In a budget of which roughly 98% had been implemented, he did in fact find a few million ECUs that he hastily put into reserve in Chapter 100. Here is another example. We all remember the campaign Mr Aigner led against butter being delivered to the Soviet Union. It was clear. This was not control of the way the budget had been implemented. It was an anti-Soviet operation and it used such crude arguments that the Commis-

Baillot

sion could not follow it. However, we are not surprised that the majority approved of Mr Aigner. There is no glory to an easy victory!

There is, however, another way of controlling how the budget is implemented and that is to see how the budgets for the main Community interests — employment, the Social Fund and the Regional Fund and industrialization, those laid down in the Treaty itself, that is to say — have been used. As you can see, the idea is not to run a political operation or to niggle about whether the number of cars used or telephone calls made by the various departments really do reflect the needs and actual situation.

We think the Court of Auditors has a method or a system of budgetary control that should be an inspiration to us. In its report in the Official Journal of 24 October 1983 for example, it gives us some very valuable information.

On the common agricultural policy, which is still under attack in Brussels, it says that, in real terms assuming average inflation of 10.2% p.a., the increase over 10 years is brought to an average of 1.9% p.a. So where is this devourer of millions of ECUs we hear so much about?

Here is another example, again from the common agricultural policy and the non-Community preference. The total excess costs of this non-preference vary, according to the estimate, from two to four thousand million ECU in terms of non-revenue and induced expenditure.

I could give you many more examples from the CAP. I shall not do so because of the time, but I shall take two or more examples linked to the ERDF. On the non-quota side of regional policy — which some people think should get more emphasis than the quota policy — in 1982, four years after they were introduced, only 22% of the commitment appropriations had been used. Here I quote the Court of Auditors' report word for word.

At a time when everyone agrees that employment is the top priority, the Court judiciously points out that, for infrastructure projects run under the ERDF, by far the largest part of the financial operations, there are no details or other information on the effects of investments on employment in the Fund's files.

Why does not our Parliament, which is so jealous of its prerogatives, run its controls in the same way as the Court of Auditors? Because, in fact, there is a discrepancy between what the right-wing majority here says and what it allows to happen.

We refuse to follow it along the path to the sort of control that fails to control the essentials — i.e. implementation of a policy of employment and training for young people and of a genuine Community industrial, research and energy policy. And in conclusion, we echo what the President of the Court of Auditors said when he introduced the report, from which I took my

examples, in October 1983. We could make massive savings, to the point where the budgetary problems we are discussing today no longer existed. But these savings would be unwelcome to everyone, particularly the countries which complain the most about the Community's financial crisis.

I do not think any comment is called for.

Mr Irmer (L). — *(DE)* Mr President, ladies and gentlemen, Mr Price stated earlier that public opinion would not appreciate a deferral or refusal of the discharge for it would, he said, create the impression of inter-institutional conflict. My dear Mr Price, don't you see that this is precisely why we are here! If we did not take issue with the Commission it would merely perpetuate the errors and inadequacies we have been exposing year in, year out. Our task — and it is something which ought to be reiterated in an electoral year — is to enable the Community to resolve the major problems which the Member States are no longer able to resolve at national level. To our great regret we are forced to conclude that the Commission's record is less than flawless in this field.

Mr Arndt has already explained how Parliament's decisions were, on many occasions, simply ignored by the Commission. Thus, for example, Parliament was eager to make its own contribution to the fight against unemployment, to improve development aid and environmental protection. And what was the Commission's reaction? Essentially to do too little, and in some cases nothing at all. You personify the bureaucratic Europe with which the citizens will have no truck. Christmas butter is a spectacular example. Mr Arndt quite rightly asked what you intended to do with the butter. Are you thinking of proposing an election day butter campaign? Every Community citizen who takes the trouble to go to the polls could be rewarded with a kilo of butter. It might conceivably improve the turnout but I don't think much of such electoral bribery.

Commissioner Tugendhat, I have to say that you do not reason in a consistent manner. You referred to Mr Delatte and his attempt to substantiate the Commission's refusal to accede to the Christmas butter scheme. It is true that he had, arguably, good grounds for opposing the scheme. Subsequently, however, a substantial majority of Parliament decided to throw out Mr Delatte's argument and came down in favour of the Christmas butter scheme. You cannot now call someone as your principal witness, when he himself has failed to win conviction for his arguments in the House. That is unfair. You also quoted a passage from a speech I delivered as far back as 1979 in which I waxed eloquent about the Commission. Such things can, and indeed should, happen from time to time, if you have acquitted yourselves well. But you cannot seriously advance the proposition that praise given long ago should cause us to defer or refuse, the discharge years later.

Irmer

I should like to make two specific points here. The first is the way in which you, Commissioner Tugendhat, handled the first supplementary and amending budget, which Parliament threw out. In a committee hearing recently you stated that no harm had been inflicted on the Community because the sums in question were re-routed to the bank accounts which had been opened by the Commission in anticipation of budget rebates for the Member States in question. I enquired into the interest payments on those sums and now you are saying that the Member States concerned made no profit on the transaction. Neither the Community nor the Member States ostensibly received any interest on the money lodged in those accounts. Would you therefore tell us what kind of remarkable bank accounts we are dealing with here, into which thousands of millions of ECU are paid, without any interest accruing? It just can't be so! I would ask you to come up with an answer between now and September and to make available the appropriate proposals to substantiate your contention that the accounts are indeed interest-bearing and that the beneficiary is the Community. I feel we would have more financial room for manoeuvre if this vexatious issue of interest payments could be clarified. The second point I wanted to raise concerns food aid. . . . Commissioner Tugendhat, if you have a question. I shall gladly answer it, provided the time is not deducted from my overall speaking time.

Mr Tugendhat, Vice-President of the Commission. — Mr President, I want to inform Mr Irmer — I am surprised that he does not know it already — that no Commission accounts carry interest, nor do they pay interest, that is the Financial Regulation. We do not approve of it. The Commission has tabled proposals in order that Commission accounts should carry interest in the future.

Mr Irmer (L). — *(DE)* Many thanks Commissioner, that is reassuring. Nevertheless, I find this contradiction somewhat striking and I must reiterate that Parliament still expects you to implement these proposals. Given that, as matters stand, we can hardly make ends meet we certainly cannot allow massive Community deposits to earn no interest.

On the matter of Community food aid we have for many years complained about the bureaucratic machinery involved and our various reports have sought to identify the culprit. Here too, heaven only knows, the Commission has been caught napping. Third World victims are allowed to go hungry and one has to conclude that the Community food aid policy is not run along the lines of priority to the most urgent cases but rather that vested Member State interests are allowed to prevail. In this scenario attempts are made to identify which product exists in which Member State intervention agency and to have it removed and disposed of in the Third World as quickly as possible. Under the cloak of humanitarian

aid the Community is playing fast and loose with Third World hunger.

We put forward proposals which you proceeded to throw out. We all know how the situation can be remedied: Cut the red tape by getting rid of those administrative committees! But, instead, what have you done? Your proposal covering a new statute to regulate Community aid would perpetuate the status quo. I would, therefore, urge you as a matter of great priority, to present to the House, before the end of September next, your suggestions for a deep-seated reform of Community food aid policy: But try not to emulate a previous Commission proposal, in reply to the complaints of this House, to the effect that Commission delegations in the recipient countries were unaware of both time and place of delivery, with the result that the food was left rotting in storage depots and ports for weeks or even months. You sought refuge, at the time, in the reply: 'The Commission is currently examining ways in which new working methods could be introduced.' Here we have an example of the bureaucratic Europe with which the citizens will have no truck. We must take our responsibility, as parliamentarians, all the more so in an election year, very seriously. We feel we are being responsible and constructive by giving you until 30 September next to draw up proposals. If you then repeat your performance of today, which had the additional merit of highlighting the necessity of our action, then I fear it will result in a refusal of the discharge and, conceivably, a motion of no confidence in the Commission.

(Applause from the Right)

Mr Ansquer (DEP). — *(FR)* This is something that has already been said, but I think it is worth repeating. The significant and common thing about this debate on discharge for 1982 is that discharge to the Commission for the general budget for 1982 is being refused or at least deferred.

The second important thing is that, over and above any special reasons linked to the implementation of particular chapters of the budget, it is in fact the Commission's whole management that is being called in question and, moreover, the criticism levelled by the various rapporteurs is primarily political in nature.

What Parliament is in fact denouncing, forthrightly, is a certain attitude the Commission has adopted in its implementation of the budget and management of special policies, such as the common agricultural policy and the development aid policy.

In a word, the Commission fails to abide by Parliament's votes and guidelines and, if its management is being criticized, it is because it deprives Parliament's power to grant discharge of all its significance. The decision to grant a discharge is in fact an important power of the House, is it not, Mr Aigner? It is Parliament's democratic control over the spending and management of these policies. The granting of a

Ansquer

discharge is also an opportunity for the House to intervene, through the remarks it makes, retroactively in the way the budget appropriations are implemented and used, with a view to making for greater effectiveness.

Things are quite different in practice, however, and the 1982 situation clearly shows that the power to grant a discharge is often as nothing because the Commission fails to take Parliament's guidelines and observations into account, because it makes only very partial use of the appropriations which are in the budget and which Parliament has voted or because its delays and lack of information make it impossible for Parliament to have any real power of control. The rapporteur's careful examination of the different chapters of the 1982 budget suggest we should wonder about or even question the very notions of the annual audit and the ultimate responsibility of the Commission.

In her report on discharge in respect of the implementation of the budget for 1982, Mrs Boserup highlights the essential failings in the Commission's implementation, basing herself, quite rightly, on the Court of Auditors' conclusions. The Commission is blamed for not having taken full account of Parliament's rejection of the Draft Supplementary and Amending Budget No 1 of 1982 — which goes against the Treaties and this House's budgetary powers.

The Commission is blamed for failing to take effective measures to re-establish conformity with the Community regulations on the operation and organization of the dairy market in the United Kingdom, for confining itself to recording irregularities and for overruling its financial controller's withholding of approval in respect of EAGGF spending in 1978 and 1979.

And lastly, and above all, for deliberately failing to inform the European Parliament of the matter. It is reasonable, in conditions such as this, to wonder about the real scope of the House's powers in the matter of discharge.

Furthermore, of all the criticism levelled at the Commission, I shall select, in particular, Mr Key's excellent analysis of the clearance of EAGGF accounts. The accounts are being cleared so late in the day — three or four years after the financial year in question — that not only is the discharge which Parliament grants without any value, for it is often given without full knowledge of the facts, but the active control and verification of the Commission is reduced to nothing more than a retrospective reconciling of accounts.

The Commission no longer analyses the operation and management of appropriations. All it does is record the accounting data transmitted by the Member States. The Commission is often faced with outdated situations which make any intervention a

matter of chance. Certainly, decentralized management of EAGGF funds means that advances have to be paid to the paying agencies in the Member States, but the subsequent verification of the expenditure has to be done in time so as to ensure that it is in accordance with Community regulations.

There are ways of improving the system. They were, in particular, put forward in the report which the Court of Auditors made on the conclusions of the European Council of 18 June 1983. These proposals should be taken into consideration by the Commission.

Those, Mr President, honourable Members, are the serious problems with which we are faced and which go beyond the matter of the management of expenditure. They involve the responsibility of the Commission and the power of Parliament, which, through the granting of a discharge, must be in a position to make the management of the budget and the control of expenditure more transparent and more efficient.

Those, Mr President, honourable Members, are the reasons why my group goes along with the rapporteurs' proposals and I am inviting the House to defer granting a discharge to the Commission for the 1982 financial year.

(Applause from the Right)

IN THE CHAIR: MR NIKOLAOU

Vice-President

Mr Eisma (NI). — *(NL)* Mr President, in my brief statement I should like to concentrate on Mr Kellett-Bowman's report on the discharge to be granted to the Administration Board of the European Foundation for the Improvement of Living and Working Conditions in respect of the implementation of its appropriations for the 1982 financial year. We all know that what we are discussing here is the Foundation in Dublin.

Mr Kellett-Bowman points out in his report that Parliament adopted my report on the Foundation in Dublin on 16 December 1983. My report set out clear-cut demands for changes in the activities and structure of this Foundation. We called for more research into living conditions and the environment and less research into working conditions. This will entail more than discussions between the Commission, the Foundation's Board and the parliamentary committees. More than this will be needed because in the report adopted in December 1983 we called for a change in the composition of the Administration Board on the grounds that the present dominance on the Board of advocates of research into working conditions does not leave room in the Foundation's structure for the environmental research we want.

Eisma

On Parliament's behalf I put forward practical proposals for a change in the composition of the Administration Board. Representatives of Parliament should also have seats on the Board as observers. Parliament also proposed that the Commission should have a study carried out — Mr Kellett-Bowman referred to this in his statement — into the possibility of the institutes in Berlin and Dublin cooperating.

The Commission systematically refuses to commit itself our proposals or to react to them and constantly defers a decision. May I now ask the Commission, on Parliament's behalf, when we can expect an appropriate reaction to the resolution adopted on 16 December 1983? This is a political question, Mr President, and Parliament will, if necessary, interpret the answer politically. We must therefore have this information in good time for our next debate on the budget in this Parliament. Parliament holds the Foundation's purse-strings, and it may use them politically during the forthcoming budget debate if the Commission's reaction indicates the need for this.

Mr Clinton (PPE). — Mr President, I am not a member of the Committee on Budgetary Control but I have a considerable interest in the matters under discussion. I also have at least some knowledge of what is involved. As an outsider I think I should express the appreciation of all of us for the wonderful, essential work being done by the Committee on Budgetary Control and the amount of time they put into their job. I believe that under no circumstances should discharge be granted. Unfortunately, discharge has already been wrongly granted for the four years subsequent to January 1978 because the necessary information was not made available, or for some reason, was withheld from the Committee on Budgetary Control that would enable them to assess and pass judgement on the accounts in respect of those years.

All of us regret frequently that we have insufficient money to do all the things we feel to be necessary in the Community. And yet we know that there are very substantial amounts of money being drained from the limited Community budget because of the inadequate control and because of fraud in various parts of the Community. I think it would be reasonable to hold the Commission responsible for their failure to provide the necessary information. The fact of the matter is that through the manipulation of milk prices, the United Kingdom has been in serious breach of Community regulations since January 1978 and they are still being allowed to go on breaking Community law. Not only is there a substantial sum of money involved, but also, arising from these illegal practices, there has been serious distortion of trade in milk products as between the United Kingdom and producers in other Member States.

The Commission has been receiving monthly reports from the British Marketing Board and they are condemned on these figures alone. Why did it take them more than four years to initiate infringement procedures by sending a reasoned opinion to the UK, and nearly six years to decide to refer the matter to the Court of Justice? One of the reasons was that an Irish cooperative, after failing over a prolonged period to get the Commission to act, had to take the matter to the British Courts because of the losses they were suffering in the British and other export markets, arising from distortion of trade and because of the differentiated prices being charged for milk depending on whether the product was going for intervention or for sale on the British or other export markets, or whether it was going into butter or for cream-making. For part of the time this gave British butter a subsidy of as much as £ 200 per tonne. Arising from this also, the British consumer had to pay an increased price for milk for liquid consumption because that is where the necessary money came from. All the time we hear so much about keeping prices to consumers down.

This law-breaking has been allowed to continue now for more than six years and there are now rumours that consideration is being given to withdrawing the court case. If we, the elected representatives in this Parliament, are not seen to be stamping out fraud whenever and wherever it is taking place, how can we face the electorate in a couple of months time? How can we face the electorate if we are seen to be ignoring the financial comptroller's advice and how can we be seen to be failing to demand the return of this money to the depleted Community budget? May I inquire if the Committee on Budgetary Control has been supplied with a copy of the Commission's submission on this matter to the Court of Justice? If not, I ask why not? Should not the Commission be helping in every way the Committee on Budgetary Control of this Parliament to do its job?

May I also ask, in conclusion, if it is a fact that the British Minister for Agriculture has intervened to stop the milk marketing boards manipulating prices in the way described? If we simply postpone this charge, we are acting like Nero fiddling while Rome was burning. We are shifting our responsibilities and passing them onto a new Parliament. How can Commissioner Tugendhat wring his hands and totally absolve the Commission when we know that it has taken six years to take the milk marketing boards to the court and when we know also that the dumping of alcohol has been taking place in this Community in many Member States for quite a number of years and no effective action has taken place? These are just two examples.

Mr C. Jackson (ED). — Mr President, I wish to restrict my remarks to the Boserup report and, within

Jackson

that report, to the administration of food aid. Food aid absorbs about half the Community's development aid budget and, in fact, is in world terms a programme second only to that of the United States in terms of size. In this intervention I want not only to emphasize the seriousness with which we view the shortcomings in this area but also to say that I hope, either today or on Friday when there is another debate touching on this subject, to hear a list of the steps taken and the measures scheduled to be taken to improve the situation.

There is a long and unfortunate history, going back some way, and revealed in the comments of the Court of Auditors in respect of 1980, which followed the special report on food aid carried out at this Parliament's request. The Court confirmed its previous observations regarding four matters: poor budget estimating, poor implementation of food aid appropriations, delays due to divisions in responsibility in the Commission between the Agriculture and Development DGs, and also between the Council and the Commission. In 1982 the Court said that there had been no significant improvement in the procedural weaknesses referred to. In its most recent report the Court said that it had brought technical shortcomings to the attention of Parliament and the Commission since 1978 and suggested that the discharge authorities call for urgent implementation of measures to improve packaging, administration and conditions of aid.

Mr Tugendhat has kindly made some written comments on Mrs Boserup's report. I take his point that some improvements have been made. I agree with him that, given the conditions in developing countries, some difficulties will always occur. I also recognize that some of the problems must be laid at the door of the Council, or indeed at the door of this Parliament.

However, I remain convinced that there is an important case for the Commission to answer. Why is it that after a request for emergency aid such aid takes between 200 and 400 days to arrive? I know the problems of shipping and so on, but a key source of delay lies within the Commission. I think the problem is that within the Commission food aid is — despite all the fine words, despite the intentions of this Parliament — regarded mainly as a means of surplus disposal. I suspect that is why such cumbersome procedures still exist in the Agriculture DG.

We have already asked the President of the Commission to take urgent action to resolve the difficulties between DG VI and DG VIII. What has been done? Our patience regarding this is running out. Why can we not give overall responsibility for food aid to DG VIII? Why do we not have food supplies identified and allocated in advance? We carry on as if requests for emergency food aid come as a surprise, whereas we know only too well that they will be a feature of the world for many years to come.

I conclude, Mr President, by giving the Commission advance notice of my intention to press Parliament to ask the Court of Auditors to conduct a follow-up report to its special report on food aid. I hope the Commission will welcome this move, because it is important that a balanced assessment be made. Above all though, it is vital that the provision of emergency aid by the Community to developing countries be carried out at the highest possible level of effectiveness.

Mr Mart (L). — (*FR*) Mr President, the sector of control allotted to me is Parliament's relations with external firms and I shall be taking up position on the Saby and Aigner reports from this point of view.

Preparation for the 1982 discharge was not completed for a number of reasons, one of them being reluctance on the part of our political authorities to provide justification for their management. I do not contest the President or the Bureau's right to take liberties with legislation when circumstances call for it, but that, of course, means justifying things to the control authorities afterwards. But the questions are still there and the discharge cannot be granted until satisfactory answers have been provided.

To be perfectly clear, I shall repeat the questions — which are put to the President and the Bureau, not the administration, which has simply dealt with execution.

1. Why, in 10 months, did the President and the Bureau spend 10 times the amount authorized annually in the budget for studies by consultancies and why was it necessary to stretch the interpretation of the budget regulation and authorization to the limits of regularity?
2. Why were the procedures twisted and manipulated in such a way as to give six of the seven contracts to the same firm?
3. What was the aim of this policy of external consultation and was the idea not just to get a supposedly neutral expert to confirm decisions and a policy decided on long before?

Let me give you some examples.

A. The study of the costs of Parliament's three places of work.

After one or two hitches in the drafting of the invitation to tender, the study was put in the hands of the firm already working in Parliament. The results are unfavourable to Luxembourg, as they deliberately ignore the economic aspects of the problem and fail to take account of the albeit capitally important fact that Luxembourg has a hemicycle that is ready for immediate use. So this extremely expensive study is of no use to Parliament, as the MPs were not convinced of its objectivity and did not have a sound foundation on which to pursue the real issue — seeking the most economic place of work. So the discussion of Parliament's place of work is still hampered by ideological arguments.

Mart**B. The inquiry into the Members' Cash Office.**

This inquiry played an important part in the affair of the final discharge of the accounting officer, covered by the Saby report. The most serious violation of the regulations was certainly committed on the occasion of this inquiry. It is also the study that leaves most to be desired — it lacks rigour, it is approximate and it makes allegations... But the most surprising thing is that the most serious accusation the firm makes is in an internal Parliamentary note drafted 15 days before the inquiry began. The results of the survey were known before it was even begun...

When you realize that this inquiry is the basis on which President Dankert claims to have proof of the guilt of Parliament's accounting officer and uses as justification for dismissing him, all you have to choose from is a culpably casual attitude on the part of the accuser and a frantic search for a scapegoat.

C. The studies of treasury and accounts and the preparation of the budget.

The Bureau has announced the progress made thanks to these studies on a number of occasions. The Committee on Budgetary Control has been informed of the figures for budget management in 1982 and 1983. It would be exaggerating to talk about progress, for the situation has deteriorated in the very sectors covered by these studies. According to data supplied by President Dankert himself, the amounts not cleared by the end of the financial year in the Members' cash system rose from 1.45 million ECU in 1981 to 3.49 million ECU in 1982 and 7.04 million ECU in 1983.

In short, the analysis made by the external consultant is, overall, fair and it is also stringent. But many wise recommendations have not been followed up. However, Parliament has taken notice — and taken to extremes and deformed — the recommendation to reduce the banking pool to a single organization. And once again, as if we had learnt nothing, before the tender procedure had been completed, the name of the happy winner was already being whispered and was indeed printed in the press.

Mr President, it is high time that we put our financial management in order and hounding a scapegoat is not the way to do it.

Allow me to conclude. A political authority exercising technical responsibilities comes up against obvious difficulties. So it would be logical for the secretary-general to be given additional responsibilities, including that of implementing the budget.

(Applause from the Liberal and Democratic benches)

Mr Notenboom (PPE). — *(NL)* Mr President, as my time is limited, I must confine myself to discussing paragraph 3 of Mrs Boserup's resolution on the

discharge. The point it makes is not new. We have discussed this on several occasions. The Commission acted unlawfully and offended Parliament politically. I have three comments to make on paragraph 3.

There is doubt about the advantages that have been gained here, and the Commissioner, for whom I personally have considerable respect, repeatedly said in January 1983 in reply to Mr Bangemann's questions on the subject: 'There are no advantages in this for any of the Member States.' And when the Court of Auditors then added its comments, the Commission reacted in writing as follows, and I quote: 'Although this approach was to the advantage of two Member States and the disadvantage of others, it should be realized that the Finance Ministers together opted for this approach during their consultations in the Council on 17 December 1982.' So we have an advantage for some and a disadvantage for others.

The Commission acted at the Council's request — I would not say formally on the Council's instructions, but certainly at its request — and departed substantially from Parliament's decision to amend the budget. The fact that Parliament said when making this amendment that its primary concern was not the amount involved does not mean that a rejection may be ignored, that the consequences of a rejection may be weakened. Rejection means exerting pressure, and the right to reject a budget is a means whereby Parliament can exert pressure.

My second point, Mr President, concerns the Commission's constant reference to good financial management. This may be true of the buying of sterling before the budget was rejected, although the increase in the value of these amounts in the exchange markets must not be exaggerated, but it is certainly not true of subsequent actions. At that time the Commission, as the executive, wanted to oblige the Council, went ahead with the purchase of sterling and put it in separate accounts in London and Bonn. The amounts concerned were exactly the same as those rejected by Parliament in its budget.

The claim that a gain was eventually made on the exchange rate is seriously doubted by the Court of Auditors.

The third and last point I wish to make is the most important, the crux of the matter. Those of us who were Members of Parliament before the elections know full well that the Council and Parliament did not agree on the contents of Regulation No 2891, which was adopted in 1977. Parliament wanted to go further at Community level, but had to resign itself to this regulation, which had the force of law. That is an added reason for the executive to enforce this regulation punctually, to monitor it closely and to act impar-

Notenboom

tially. But it did not do so, it did not act impartially, it acted as the Council wanted and disposed of some of the Community's own resources without there being any need in budgetary terms, and that is explicitly prohibited by this regulation. These monies admittedly did not become the property of the Member States concerned, they were not transferred to their ownership, but that is the only thing that was not done. Otherwise the two Member States derived benefit from this action. If you, Mr President, put 10 000 or 100 000 drachmas in a bank account, the bank can do what it likes with them. But you earn interest, and the European Community did not earn any interest. So the two Member States were assigned full power of disposal, and that is why the Court of Auditors described this manipulation as an 'advance', an advance that was made and continued to be made by the Commission even after the rejection of the budget, an advance on amounts that had been rejected.

It is a great pity that the Commission had made no kind of overture in recent weeks, no sign given that it realizes it acted wrongly and there must no recurrence in the future. If that had been the case, I would be more flexible, but no such assurance has been given, and I find the concept of the Community's own resources, which is important for its financial autonomy and for Parliament's powers, has been seriously violated. There is no making up for this. I am therefore in favour of rejection rather than postponement.

Mr Møller (ED). — (DA) Mr President, the European taxpayers and the European governments have entrusted millions of kroner to the Community for the administration of the Community's budgets. It is our responsibility to ensure that it can at least be said that matters are in order. When I listen to this debate and read the reports before us, I am not convinced that matters are in order. I have in mind the speeches of Mrs Boserup and especially of the chairman of the Committee on Budgetary Control, Mr Aigner, here today. When I heard the chairman of the Committee on Budgetary Control, I thought: the conclusion to this must be a refusal to grant discharge! All his premises were that we should refuse discharge, but when at last he drew his sword from its sheath, we saw that the edge was rather blunt and so the result was only deferral. Now the question is whether the new Parliament will grind the sword so that it is sharp enough to cut where it is really necessary to cut. Matters are not in order — that at least is my impression from this debate, from the speeches of the rapporteur and the Chairman of the Committee on Budgetary Control. We do not have the order which we owe to the European taxpayer and which we owe to the governments that appropriate the money for the Communities. And that is why, Mr President, I say here that I can vote for the report in the hope that the

new Parliament will cut where we have failed to cut, perhaps because after five years of stagnation we have become too ready to be chums and friends with instances outside our own ranks. But one thing I cannot vote for is the Saby report, for it concerns our own House. It is about how much order we have in our own House, and I think that the Saby report sweeps somewhat wide. I feel that no plausible explanation whatsoever has been found for the missing 4 million BFR. Compared with the billions we have heard about elsewhere, this is small beer, peppercorns, but even peppercorns have their significance, and in our own House, in Parliament's and its Member's own treasury, there must at least be order. I therefore feel that it will almost amount to repudiating the President of Parliament if we do not do as Mr Kellett-Bowman has proposed, namely refuse discharge to the accounting officer for 1981.

Mr Delatte (L). — (FR) Mr President, the Key report shows that the Committee on Budgetary Control has taken stock of the situation and is shouldering its responsibilities, particularly as regards its power to grant discharge to the Commission. But I should like to lament the fact that this same report makes practically no mention of the report the Court of Auditors made on 23 October 1983 at the request of the Stuttgart Council. For this report is a mine of information, particularly as far as agriculture is concerned. It is a pertinent report. The precision and simplicity of what it says are worthy of our attention and I regret that Mr Key failed to mention it in his conclusions.

Why is the Court of Auditor's report so important? Quite simply because it puts a figure on the mistakes we make in not adhering to Community rules. These are not frauds, of course, but they amount to waisting the Community rules. For example, the report puts the cost of the non-respect of Community preference at 2 to 4 million ECU!

Mr President, the farmers are being refused their price increases on the grounds that they cost too much — when we could be making savings simply by adhering to the rules of the Community. The Committee on Budgetary Control ought to have mentioned this.

The same goes for the monetary compensatory amounts, the figures for which are also given in the Court of Auditors' report. And no-one is talking about them.

I think we should also avoid a certain number of aids that cost the Community a good deal without making for progress with the difficult problems we have to handle. I am thinking in particular here of aid for consumption within the Community. There is also the question of Christmas butter — it was brought up this morning, I know. But please let us stop allowing the consumer to believe that Christmas butter is being subsidized to keep the farmers happy when all that is

Delatte

happening is that he is getting used to consuming at less than cost, which places a burden on the Community budget without cutting the dairy surpluses.

Mr President, let us be realistic. I think it is urgent, because we are now on the eve of the European elections, to lay aside the egoism of each of the nations and try and see how the Community can unite again and make progress. That, I believe, is a conclusion we have to draw today because we are now faced with difficulties that seem to be insurmountable, while the Court of Auditors shows that they are not insurmountable at all!

Those, Mr President, are the conclusions I wanted to draw.

Mr Marck (PPE). — (NL) Mr President, I and the rest of my group oppose the granting of a discharge to the Commission principally because it too often acts as if it is at the Council's beck and call and consequently takes too little account of Parliament's views on the budget. I was also extremely upset by the unjustified rejection of the Christmas butter campaign and the ungracious treatment of the Milk Marketing Board files and of development cooperation.

More specifically I should like to take up Mr Gabert's report on the fight against fraud and Mrs Boserup's report on the activities of the advisory committees. The fight against fraud must remain a basic concern of every Member of Parliament, if only to ensure that the burden is fairly distributed. We advocate the abolition of customs formalities and of physical checks at the Community's internal frontiers. But this also presupposes a substantial improvement in the assistance the tax authorities in the Member States give each other and the introduction of 'flying squads' by the Commission.

Mutual assistance on VAT has so far been a dead letter while mutual assistance on direct taxes remains confined to bilateral agreements, which must be regarded as the bare minimum.

Has the Commission already started an investigation into the application of the 1979 directive on VAT? If it had, it would know that it is hardly being enforced, if at all, and that it is high time the Member States were persuaded to improve the exchange of information and to depart from their inflexible centralistic national systems.

I would also recommend the better training and motivation of the officials responsible for combating fraud in the various Member States. National officials usually look enviously at their Community colleagues, who are paid three times as much and are also far too often regarded as mere enforcement agents. Better motivation can undoubtedly be achieved if forms of cooperation, which are also justified by the fact that the Community and the Member States have the same interests, are found. This is particularly true of VAT.

Finally, I should again like to appeal for a Community approach, either in the form of a system of 'European flying squads' or by means of a better coordinated European operations centre, where permanent contact between European and national specialists responsible for combating fraud can be maintained. I find it deplorable that here again national egoism is standing in the way of efficient operations, thus leaving too much scope to those who are in fact undermining expenditure from the budget and Community policy.

As regards the activities of the advisory committees, I agree with the conclusions drawn by the rapporteur. I therefore find it all the more surprising that, despite the adjustment to the budget made by Parliament, the Commission is still frustrating the activities of the advisory committees. Can the Commission explain to me why there is so much hesitation about convening meetings of the advisory bodies responsible for monitoring the common agricultural policy. How can the Commission justify the fact that, at the very time when the agricultural policy is being radically reformed, those directly concerned are not being consulted or being consulted too late? Is this not yet another example of the Commission's bias, the views and the reactions of the governments of the Member States having far more influence and receiving far more attention than the views and reactions of the public, represented by Parliament and social groups? This is the basic reason for our refusal to grant a discharge. I hope the Commission will thoroughly revise its policy and again become the power behind European integration.

Mr Hord (ED). — Mr President, first of all I just wish to make a short comment about the reference to the Milk Marketing Board and I would suggest that in view of the fact that this matter is before the courts, it is *sub judice* and it was out of order both for Mr Clinton and for Mr Delatte to make reference to that aspect.

The principal reason that I rise to my feet is to comment on the failure of the Commission to deal with the agriculture policy but, in more specific terms, their failure to deal with the milk sector. In the Boserup report, there is a reference by way of an indictment to the way in which the Commission dealt with the Christmas butter operation back in 1982. I think it is fair to say that this was very badly organized. It was a proposal that was rushed through. Most of the butter, in fact, was not actually put before the consumer until after Christmas and it was a crazy system insofar as it set up two prices for butter. It was a sort of 'first-class butter and second-class butter. Take your choice whether you want to pay more or less'. Whereas, the Parliament's proposal last year was an infinitely more rational approach and I think all of us in the Parliament were very depressed, not to say angered, by the way in which the Commission failed

Hord

to recognize the relevance and sound sense that was contained in the proposal which was initiated by Mr Aigner.

But I believe that after that Christmas butter episode, we in Parliament and the consumers generally are right to say: Well, OK, so far as the Commission was concerned a second Christmas butter sale had no relevance. But what has happened to the butter stocks? They have grown inexorably to the situation where we have record levels — 900 thousand tonnes of butter, more than 1 million tonnes of dried milk — and nothing has emanated from the Commission as to how they are going to deal with the surplus. I think that that really is the crux of the situation. They say the ideas that Parliament has are no good but they cannot come up with any themselves. They say: Oh yes we are going to export it but nobody wants it. I think that the Commission really is obliged to tell not only Parliament but the Community and, particularly, the taxpayers what their intentions are to deal with these horrendous surpluses.

We have just seen the Commission proposal for dealing with the milk sector. But we are, if you like, budgeting for a surplus of something like 12 million tonnes of milk. What are we going to do with it? We have already got huge and record surpluses and we are in the business now of instituting and paying for what could be described as a structural surplus of dairy products. You cannot really call that any worthwhile reform of the milk sector. So I believe that is right for this Parliament to point a finger at the Commission for its failings in 1982 and we can do it with a good deal of hindsight. In many ways I think the role of Parliament benefits from this operation of deciding whether it grants a discharge or not because it can see whether in fact the policies of the Commission actually worked out. What we can see is that they did not work out in 1982 and since that time the situation has gone from bad to worse.

So, Mr President, I think that is right for us to think in terms of withholding discharge in this situation. Not only, as I say, for 1982 but in consequence of the failure to act since 1982. This matter comes before us at a time when the present Parliament is due to end its term. I am very confident that if the Commission fails to explain to the Community how it is actually going to deal with these problems, not only will it be right for the Parliament to continue to withhold discharge but I am confident that the new Parliament will, in fact, seriously contemplate putting down a motion of censure because I believe that these problems are of such a magnitude that only use by the Parliament of its final weapon of censure would be appropriate.

Mr Tugendhat, Vice-President of the Commission.
— Mr President, I spoke for 26 minutes at the begin-

ning of this debate, so I won't weary the House with another long speech. However, a number of specific points came up during the debate, some of which I feel I ought to tackle directly before lunch. I will not necessarily take them in the order in which they came.

First of all, Mr Clinton asked whether we had sent to the Committee on Budgetary Control the text of our case against the Milk Marketing Board. I am informed that the letter is on its way. It was signed over the weekend. We are also sending to the committee — I hope they will devote equal attention to these matters — the *refus de visa* and the *passer outre* in relation to the Milk Marketing Board and to the other cases which, surprisingly, nobody seems to have found the time to mention during the debate today, namely French wine, cereals in Belgium and milk powder in Denmark. I do not know why nobody drew attention to them.

Mr Irmer raised an extraordinary question, I would have thought, from somebody who is interested in these matters. He asked about Commission bank accounts and is apparently unaware of the fact that the Commission bank accounts do not carry interest. He is also unaware, seemingly, of the fact that the Commission has tabled a proposal in order to try to rectify this matter, and Parliament gave a favourable opinion on our proposal in September. I was amazed to find this question raised. But the fact that the Commission bank accounts do not carry interest is, of course, a principal reason why I reject entirely the suggestion of Mr Notenboom that the Community in some way sustained a loss as a result of the opening of the bank accounts in London and Bonn. We always have money, of course, in all Member States. The size of our accounts varies from week to week and month to month depending on the commitments which we have to meet. But we always have money everywhere, and as we do not get, unfortunately, interest either in London, Bonn, Dublin, Paris or wherever it might be, it goes without saying that the Community suffers no loss as a result of movements which we necessarily have to make in order to prepare for commitments which we have to undertake. I repeat a point that I made earlier that it really is a responsibility of the Commission — and I know it is a responsibility to which Member States attach importance and I think parliamentarians should as well — to ensure that these transactions should involve the minimum of disruption on the foreign exchanges.

Mr Arndt suggested that I was wrong in my rejection of Mr Aigner's points about the Christmas butter because we would have to dispose of the surpluses anyway and that it would cost us more later. I agree with him. We will have to dispose of the surpluses anyway. That goes without saying.

Tugendhat

But I think that it is more sensible and more practical to dispose of those surpluses after one has put in place a system of production controls.

Mr Hord made the astonishing allegation that nothing had come from the Commission about how to control surpluses. Perhaps I could draw attention to a document which I thought had received some publicity in the Community known as COM 500 — it has certainly been a subject of debate in the Council and Parliament — and also, of course, to our price proposals. Mr Dalsager will be making a statement on behalf of the Commission later this week and if the Parliament wishes to suggest — and I await with interest the result of its deliberations — that the thresholds which have been established for the dairy industry are not severe enough, that the screw ought to be tightened still further, then no doubt Parliament will vote in that sense. I have a sneaking suspicion that it is not going to do so.

Mr Ansquer suggested that the clearing of the accounts was a meaningless exercise. I cannot agree with him. He may feel — perhaps things are better in France than I thought — that recovering 350 million ECU is a meaningless sum of money. In the budget for which I am responsible, recovering 350 million ECU between 1974 and 1979 is significant. So I do not think it is reasonable to suggest that the clearing of accounts is a meaningless exercise nor that it does not yield results at the end.

Those are specific answers to a number of points which were made during the course of the debate. I would repeat what I said in my speech, that a detailed reply to all the various points raised by the Committee on Budgetary Control is now available in all languages and people only have to ask and we will provide it.

Mr Eisma (NI). — *(NL)* Mr President, I just wanted to ask the Commissioner if he had any particular reason for not answering my questions about the Foundation in Dublin.

President. — Mr Eisma, I would just point out that Mrs Boserup will be speaking first.

Mrs Boserup (COM), rapporteur. — *(DA)* Mr President, I must not take up too much of my colleagues' time. There are just a few points I wish to return to. Commissioner Tugendhat has repeatedly asked us to read the Commissioner's reply to our accusations. I have read them. I do not find them particularly illuminating. I got the impression that Mr Tugendhat found my accusations to be general and not very concrete. I should like to affirm that they are in fact quite concrete allegations. They are about the food aid in 1982, they are about the overruling of Parliament's rejection of the supplementary budget. So they were indeed quite concrete matters.

Then Mr Tugendhat permits himself to assert that the committee previously, in connection with the Key

report and the Irmer report, took a positive view of and expressed its gratitude for the advances made by the Commission. Yes, we did, and we do not wish to be derided for it — but one cannot live from it year after year! This prompts me to refer back to Mr Price, who says we should be positive and constructive. Dear Mr Price, we have tried to be positive and constructive and we came to the conclusion that it did not do any good! So we cannot continue along that path. Mr Price accuses us of making these general points of criticism. No, it is neither I nor the committee who are doing that, it is the Court of Auditors, and the report of the Court of Auditors is a public document which any voter can read in his own language. I do not know how the voters would judge us if, after reading what we have here, we had sat back and said: it is annoying, they shouldn't really do it, but we will let them carry on the way they have done all the time. We cannot act like that and we cannot take that line when we have to meet our voters. We cannot act like that when we are in a situation in which the Member States are called on to pay more. Then we must also demand a tiny bit of information on what the money is used for.

Having got so worked up quite unnecessarily before this very sympathetic Assembly — it is after all a special item we are dealing with here — I should like to thank my colleagues in the committee for their great loyalty towards me. Everyone knows that I represent a party which is against Danish membership of the European Community, and everyone knows that the only sensible work I can do here is work of control and scrutiny. I have taken it upon myself, even if it may give rise to difficulties and even if it may be difficult for some to understand. I thank them for their loyalty. I also thank the secretariat of the committee. I had severe misgivings when I undertook the task, because I speak one of the Community's minor languages and had no Danish-speaking staff to help me. The secretariat performed its task to perfection. I was not handicapped by this disadvantage, and I am very grateful.

(Applause)

Mr Aigner (PPE). — *(DE)* Mr President, ladies and gentlemen, it is the custom of this House, in the wake of such a critical debate, to convey our thanks to all those who have participated in the debate, and, in particular, the rapporteur. I should now like to take the opportunity of doing this and I would like, in particular, to convey my thanks to our coordinating rapporteur, Mrs Boserup. She managed to turn in a remarkable effort in spite of the incredible time pressure and the generally accepted difficult political structures, which was also the case in her country. My thanks go to her and to all who have contributed to the effort.

Aigner

I am also indebted to the committees who have assisted us; they are almost too numerous to mention but they include the Committee on Agriculture, the Committee on the Environment, Public Health and Consumer Protection, the Committee on Youth, Culture, Education, Information and Sport, the Committee on Development and Cooperation and the Committee on Social Affairs and Employment. The list is not exhaustive. Our cooperation with these specialist committees enabled us to tap the collective knowledge of this House and to incorporate it into our reports on the discharge. My thanks, therefore, to all committees concerned and to their respective rapporteurs.

A special word of thanks goes to the personnel in question. Needless to say the effort was not achieved under the 40-hour week regime, but we parliamentarians didn't stand around doing nothing either. This is particularly true of the members of the Committee on Budgetary Control, most of whom are also members of the Committee on Budgets which results in their having to cope with twice, or indeed three times, the workload of other committee members. I also owe a word of apology to my colleagues for my very harsh manner at times, in chairing committee meetings under intense time pressure — I see that Mr Kellett-Bowman is smiling — and for the fact that I sometimes had to curtail a member's speaking time; and I am aware that I subjected some to intense pressure.

But I still have a few comments to make about the debate itself. To begin with, I am heartened to observe that all political groups have rallied behind the vote as adopted by the Committee on Budgetary Control, whether in the sharp tones it adopted at times, or in its initial deferral of the political decision.

This, I feel, testifies to a growing awareness, which spans the political spectrum, of the increasing respect for the will expressed by Parliament.

Commissioner Tugendhat, you quite rightly reflected that our principal criticism was levelled against the Commission. To Community public opinion I would point out that we are living in a denatured parliamentary system. We are now going before the electorate and it will decide at the ballot box as to the form our future Parliament will take. But this decision of the electorate will be precluded from taking a political shape as long as members of the Commission are appointed by Member State governments. That constitutes a flaw in the parliamentary system.

If we wish to see a greater compliance by the Commission with the desires expressed by Parliament then we must — if I may be forgiven for putting it somewhat crudely — do our utmost to ensure that the Commission is more frightened of incurring the wrath of Parliament than it is of the Council. Failure on our part to make this clear to the Commission will allow it to continue to kow tow to the already over-powerful

Council — thus distancing itself from Parliament and further denaturalizing the system. This is our principal criticism.

I had expected the President of the Commission to assist at this debate, for it concerns his institution. In the light of all that has been said I am convinced that, were the Community not confronted with the difficulties it is currently experiencing, and were an election not in the offing, then I would have urged refusal of the discharge, with the subsequent vote of no confidence which this implies. It should not be lost on the Commission that a resolute political awareness has just been forged in this House.

I regret the fact that Commissioner Tugendhat could not resist intervening a few moments ago, to reply to some of the criticism voiced by members of the House. He would have been better advised to stay put. His comments to Mr Irmer were completely irrelevant. Mr Irmer never said that he was unaware of the non interest-bearing nature of such Community bank deposits. He merely reflected on the desirability of a system which foresees interest-bearing deposits, for these many thousands of millions of ECU. Mr Notenboom has demonstrated that it is not true to speak of the financial operations as neutral. Currency exchange operations involving thousands of millions of ECU do not leave currency markets undisturbed and if, as in this case, we are talking exclusively about receipts by the UK exchequer, then it must be realized that the thousands of millions involved strengthen both the pound sterling and the liquidity position of the UK banking sector. All of this is undeniable. But our most serious objection, Commissioner Tugendhat — and it is something you clearly did not wish to admit — resides in the fact that the Commission's action in opening such accounts was a clear violation both of the budget regulations and of the clearly-expressed wishes of Parliament.

Just suppose for a moment, Commissioner Tugendhat, that both Commission and Council had failed to satisfy Parliament's demands and that we had blocked the budgetary rebates in question, you would have been obliged to reverse these financial operations. Can you imagine the exchange-rate loss to the Community budget? You cannot seriously maintain that the operations necessitated by your action would have had a completely neutral effect!

Commissioner Tugendhat, I would urge you to ponder on the debate which has just taken place. We are demanding that the Commission should rediscover its role of Community locomotive. I would urge you to come before our committee and shed light on some of the criticism levelled against you and to do your utmost to create a climate of cooperation and mutual understanding between our two institutions in the future.

(Applause)

President.— The debate is closed.

The vote will be taken at the next voting time.

(The sitting was suspended at 1 p. m. and resumed at 3 p. m.)

IN THE CHAIR : LADY ELLES

Vice-President

Mr Habsburg (PPE). — *(DE)* On the rules of procedure, Madam President, I would draw your attention to the scandalous situation in which the hall of our IPE building is playing host to an exhibition on the Soviet Union.

I consider it an intolerable state of affairs, in view of the Soviet Union's refusal to recognize the European Community.

(Applause from the Right)

Furthermore the exhibition was set up by individuals who are well-known for their political views and pro-Soviet sympathies. I would like to know who is behind the organization of the exhibition, who gave the permission and what the justification for tolerating such a scandalous situation is.

President. — Thank you, Mr Habsburg, for your observation. The normal procedure for holding exhibitions on the premises of the Parliament is decided by the College of Quaestors. I will make inquiries and I hope we shall be able to give you a reply.

Mr Marshall (ED). — Further to Mr Habsburg's point, Madam President, I would point out to the College of Quaestors that this is the only internationally democratic assembly in the world, and for an exhibition supporting the Soviet Union to be in our foyer is an affront to most of us, because the Soviet Union does not recognize democracy here or anywhere else in the world.

4. Topical and urgent debate (announcement)

President. — In accordance with Rule 48 (2) of the Rules of Procedure, the list of subjects for the topical and urgent debate to be held on Thursday between 10 and 12 a.m. has been drawn up.

(The President read the list of subjects)¹

In accordance with the second subparagraph of Rule 48 (2), any objections to this list, which have to be tabled and justified in writing by a political group or at least 21 Members, must be lodged by 3 p.m. tomorrow. The vote on these objections will take place without debate at the beginning of tomorrow afternoon's sitting.

¹ See Minutes.

Mr Hord (ED). — Madam President, I think this is a point of order — possibly a point of information. I have listened to the list that you have just read out. It seems to me that none of these proposals is either topical or urgent. In view of the fact that Parliament has a very, very substantial amount of business, would the presidency receive a proposal or representation under Rule 48 suggesting that none of these motions be taken for topical or urgent debate on Thursday, so that we can carry on with the main business on the agenda, which already seems to be more than sufficient for the time we have at our disposal?

President. — Mr Hord, as you will know, in accordance with the Rules of Procedure, any group or 21 Members can oppose or propose new motions which have been tabled in time by Monday evening. If you and your group wish to delete all these from the agenda, you can do so in the proper manner tomorrow before 3 p.m.

5. Question Time

President. — The next item on the agenda is the first part of Question Time (Doc. 1-141/84): questions to the Commission.

Question No 1, by Mr von Wogau (H-603/83):

Subject: Charging of customs duties by Belgium on Community gift consignments

The Belgian authorities are still demanding payment of value added tax and customs charges on gift consignments (e.g. a consignment of wine worth BFR 900). The Belgian recipient of a gift worth BFR 900 had to pay a total of BFR 726 in customs charges on 26 October 1983: BFR 303 in value-added tax, BFR 118 in import duty, BFR 10 in advance charges and BFR 295 in costs for customs formalities.

Mr Narjes, Member of the Commission. — *(DE)* The Commission is aware of the manner in which gift consignments are handled by the customs authorities. I fully agree that this procedure is anachronistic and increasingly irritating for the people of Europe. But we all have to accept that the situation is created by the directives currently in force and I would like to describe the legal position briefly. In Belgium, as in all Member States, the following rules apply to private gift consignments within the Community: no duty or charges may be levied on goods which originate from, or are freely available in, any other Member State.

Secondly: Council Directive 74/651 on the tax-free import of non-commercial small consignments within the Community grants exemption from value-added tax and from special taxes on consumption, provided that the total value of the consignment does not

Narjes

exceed 70 ECU. At current rates of exchange this amounts to approximately 3 200 Belgian francs. To be eligible for exemption, the goods must also have been taxed normally on purchase. Member States are allowed, however, not to grant or to reduce the exemption for small consignments of goods subject to special taxes on consumption. Belgium treats consignments of more than four litres of wine in this way.

On 13 December 1983 the Commission submitted a proposal to the Council which provides for a gradual increase in the tax-free limits for non-commercial small consignments within the Community. The tax-free limit would be increased to 130 ECU by 1987. Parliament is to deliver its opinion on this Commission proposal this evening. As you will know, the rapporteur, Mr Rogalla, has suggested a much higher tax-free limit. The Commission supports the idea behind this but we cannot hope to succeed in abolishing restrictions as long as there are differences in the rates of value-added tax between Member States.

Nor does the Commission proposal envisage refusing Member States the right to reduce the tax-free limit or to withhold it altogether for goods subject to a special tax on consumption. The charge for customs formalities which the Honourable Member mentions is a charge for carrying out customs and tax formalities levied by the authorities of the recipient State. A decision by the representatives of the governments of the Member States of 18 December 1978 prohibits such charges after July 1979 for consignments of goods within the Community that are exempt from turnover and consumer tax when imported into another Member State. Only if turnover and consumer tax apply are such charges made in some Member States — at present Belgium and Holland. Following a decision by the European Court of Justice of 12 January 1983, the Commission holds the levying of charges for carrying out customs formalities to be illegal. The Commission has therefore decided to institute proceedings under Article 169 against Belgium for violation of the Treaty. The Commission is also investigating the extent to which standard practice in other Member States conforms with the terms of the Treaty.

Mr von Wogau (PPE). — *(DE)* It is of course excellent that this roundabout way of charging for customs formalities instead of levying duty, which was perfectly legal until a short while ago, is to be prevented in future. However, I would like to put a supplementary question concerning a consignment from the Federal Republic of Germany to Belgium. What does the Commission think of the proposal currently under discussion by the heads of the Dutch and German governments that, as a first step towards opening up the internal market, Germany should become part of the Benelux system? Then things like this could no longer happen.

Mr Narjes. — *(DE)* I believe that such a step would be useful politically and might encourage the whole Community to act likewise.

Mr Rogalla (S). — *(DE)* As I mentioned yesterday, I too would welcome a gradual solution to this problem. However, I wanted to ask the Commissioner whether, given the strong legal basis of the customs union under Article 9 of the EC Treaty, the Commission would be prepared to take steps to force the Member States to reconsider. Yesterday I spoke of the blessings of the EC Treaty. To be specific: does the Commission feel obliged to point out to the Member States that there is a unified customs area, that these borders, which are being justified by reference to value-added tax, should not exist at all? And is the Commission prepared to carry out its own investigations? Up to now, the Commission has relied on information from the Member States, and this information is not always correct. Is the Commission therefore willing to work towards customs union and to set up an inspection authority which would independently establish what goes on at borders?

Mr Narjes. — *(DE)* You have asked two questions. The answer to your first question, whether we are in principle prepared to treat the whole Community as a unified customs area and to accept the consequences including the legal consequences, is yes. But there is the question of when we will have achieved sufficient harmonization for this to happen, so that the aspect you mentioned yesterday, i.e. an end to customs areas along the internal frontiers of the Community, can also be realized.

Your second question raises a general question of Community law. There is considerable legal resistance and serious misgivings as to whether the Community itself can and should create executive bodies. This is a constitutional question which I do not feel able to answer off the cuff.

Mr Pearce (ED). — I wonder if the Commissioner realizes that his long and detailed answer to the question appears to most people to be hiding the situation that, after all these years of a so-called customs union, there has been remarkably little progress. Does he not think that the Commission, in fact, ought to be leading some sort of crusade instead of waiting for the German authorities, as he indicated in his second reply? Does he not also believe with me that the only useful purpose served by customs formalities between the Member States is maintaining civil servants in a job instead of putting them out on the dole, and that in fact no other purpose is served by these procedures that impede trade and commerce between the Member States?

Mr Narjes. — *(DE)* I fully endorse the spirit of the question. I tried to express this in my answer when I spoke of the anachronistic irritations caused at Europe's borders. However, the main reason for the continued existence of borders within the Community is value-added and tax on consumption and checks on the levying of these taxes. Police identity checks are also a major reason for the borders which are causing so much annoyance.

As I said yesterday, the Commission feels that the Member States must make every effort to adopt the various proposals we have made with the sole aim of making borders unnecessary.

As far as the progress reached is concerned, a further package of 15 directives was adopted by the Council yesterday and these will go a long way towards providing freedom of movement within the Community for products for which this was not previously possible because of various checks and authorization procedures.

President. — Question No 2, by Mr Moorhouse (H-625/83):

Subject: Natural gas

When is it expected the first deliveries of natural gas through the new Soviet pipeline will be made to Member States and what are the latest estimates of the dependence of individual countries — and the cost — of the gas?

Mr Narjes, Member of the Commission. — *(DE)* Details of the contracts between the natural gas companies in the Member States and Soyuzgas-Export are confidential on commercial grounds, as are price details. However, the Member States have given the Commission specific information on certain aspects of the contracts, as required for a communication to the Council on Community gas supplies up to the year 2000, which was adopted by the Commission on 7 March and which will be submitted to Parliament in the next few days.

This communication updates the 1982 figures from a previous communication on gas supplies. Tentative figures for each Member State on supplies of gas from the USSR and on consumption up to 1990 can be found in the annex.

Imports envisaged from the USSR in 1990 may be somewhat lower, even if they scarcely differ from the figures given in 1982, as overall Community demand for natural gas is not rising as quickly as the Commission forecast when the contracts were concluded. Deliveries to France and Germany began on 1 April this year or will begin on 1 October.

Mr Moorhouse (ED). — I must express considerable disappointment with the terms of the reply by the Commissioner. I personally find it totally unsatisfactory that details of contracts for gas from the USSR, or

indeed, from other sources, are not more readily available to Members of this Parliament and to the general public. Be that as it may, may I ask a supplementary, namely, on what time-scale do the contracts for natural gas between the Soviet Union and the Member States come up for renewal? I ask because I consider it important. Member States should have as much time as possible to make alternative plans to diversify their sources of supply and complete the necessary negotiations.

Mr Narjes. — *(DE)* Various contracts are involved. The document I mentioned, which is to be submitted to Parliament in the next few days, contains answers in so far as the Commission has the necessary information.

Mr Berkhouwer (L). — *(NL)* As far as I know, and this has now been confirmed, natural gas from the Soviet Union will unfortunately be supplied under a number of bilateral agreements between various Member States and the Soviet authorities.

This leads me to ask the Commission if it has any kind of plan to establish a common policy in this area to prevent one Member State from being played off against another over terms, dates and rates — we all know what goes on — and how dependent it feels we in the Community should allow ourselves to become on this source of energy if we are not to run the risk of the Soviet Union deciding to stop supplies through these pipelines at any time? How independent can we be and, if the Soviet Union should take this decision, is there an alternative source to ensure the supplies of energy we need?

Mr Narjes. — *(DE)* The Commission is well aware of the risk involved in too great a dependence on imported energy — even if only one primary source of energy is involved — particularly when the supplier of the energy is the Soviet Union. The Commission, and likewise the Member States for their own supplies of energy, are monitoring the degree of dependence and its development, as well as the maximum market share that imports from the Eastern bloc can be allowed to acquire under various circumstances.

Apart from this, the Commission has regularly investigated other potential sources of supply outside the Soviet area — in particular the Norwegian gas fields in the north of the North Sea — and has tried to promote these. With regard to your question as to whether we can consider these to be Community contracts, I would like to point out that the contracting parties are not always the Member States themselves, but are, to a large extent, major private companies who have assumed responsibility for the supply of natural gas. Coordination of individual suppliers is the major task, rather than the justification of a common supply policy to be administered by a central European authority.

Mr Seligman (ED). — I was pleased to hear the Commission's reply that gas imports to the EEC are falling. This confirms the fact that a glut of natural gas is coming. The trouble is that the Russian gas contract was negotiated in the aftermath of the oil crisis. Therefore the prices are too high. Will the Commission, therefore, try and get this cooperation between private and national gas companies in order to stop them bidding against each other and pushing the prices up still further? Secondly, will it encourage the construction of a cross-channel gas pipeline in order to bring Sleipner and Troll gas more cheaply to Europe through Britain and also Dutch gas more cheaply to Britain through that pipeline?

Mr Narjes. — (DE) I agree with your basic point that there has been a considerable increase in potential gas supplies and that at the moment we cannot forecast whether this market situation will alter significantly. The price risk caused by buying in at inflated prices must be borne by those who felt obliged, at the time, to conclude the contracts at those prices, in those quantities and for that length of time. The Commission is doing its best to influence the infrastructure of gas supplies so that an optimum supply for the whole Community is guaranteed. Safety aspects also have to be taken into account.

President. — Question No 3, by Mr Israël (H-644/83):

Subject: Creation of a European card for war victims

With the Commission incessantly proclaiming its intention of making Europe into a Europe for its citizens, can it explain why it refuses to create a European card for war victims, for people with a minimum 50 % disability?

As producing such a card, which would have no financial repercussions, would give tangible form to the official gratitude which all the Member States owe to war victims, both military and civilian, is the Commission prepared to go back on its answer of 1981¹ and thereby match deeds to words?

Mr Richard, Member of the Commission. — The Commission within the framework of its programme to promote the social integration of disabled people is currently examining whether or not it would be beneficial to promote the creation of a Community card for disabled people. The Commission believes, therefore, that at this time, it is very much more appropriate to pursue that possibility than to envisage the creation of a separate card only for war victims. Even so, I have to say to the honourable gentlemen, the Commission is not yet convinced that there is a sufficiently large demand for the card nor, if there were, that the Commission is necessarily the best framework within which to develop one.

Mr Israël (DEP). — (FR) I shall not hide my disappointment at the reply Mr Richard has just tried to give.

We are faced with a very difficult situation. Does the Commissioner not think that, in the European Community, the best way of wiping out the memory of the frightful war which divided the Community would be to recognize, in its name, the right of deportees and war victims to unanimous recognition by the whole of Europe?

Mr Richard. — I am sorry Mr Israël is disappointed in my reply. It really does seem to me that if what we are trying to do is to make life within the Community easier for people who are disabled, whether in fact they are disabled as a result of war action or otherwise, then what the Commission is trying to do is frankly the most sensible way of doing it. If we can get a card for disabled people generally, quite clearly it will benefit the class of people and the specific people that Mr Israël is interested in benefiting. To that extent I think we are agreed. What I am not prepared to do — this is perhaps where the disappointment really comes in, is, so to speak, to use a card for disabled people in a political context and with a specific political connotation in the way that Mr Israël might wish to. If we were going to use a card as a symbol of the end of war on our continent — an objective which, I am bound to say, instinctively I share with Mr Israël — I do have to make again the point I made a little earlier, which is that it does not necessarily follow that it is the European Community that is the best forum or the best mechanism within which to produce such a card. It might be that the Council of Europe would be a better way of looking at it. I merely raise these points but it seems to me that what we are trying to do, namely concentrating on a card for disabled people as a whole, is really the right way of trying to deal with it.

President. — Question No 4, by Mr Marshall (H-668/83):

Subject: Sugar

The Commission has stated that the development of sugarbeet production has not been hindered by the existence of a quota system. In view of the trend in sugar consumption what proposals does it have to reduce the imbalance between supply and demand?

Mr Richard, Member of the Commission. — In the course of the last six or seven years, sugar production within the A and B quotas has been very stable. It has oscillated around 11 million tonnes. This quantity must be looked at in the light of the Community's stagnating demand of around 9.5 million tonnes. The extraordinary surpluses in 1981 and 1982 were the

¹ OJ No C 284/81

Richard

result not only of a temporary expansion of beet acreage, induced by high world market prices, but also of extremely high sugar yields per hectare. More than half of them consisted of C sugar for which no Community guarantees exist. This sugar has to be exported onto the world market without export refunds. 1983/84 sees a normalization of the supply situation after a decline of the beet acreage by 18 % and also of the yield. The total production has fallen from 15 million tonnes in 1981/82 to 13.9 million tonnes in 1982/83 and to 11 million tonnes in 1983/84.

Mr Marshall (ED). — Would the Commissioner not agree that the reduction last year was the result of the weather, and that even the Commissioner could not claim that the Commission had much influence over that? Would he not also agree that the net result of the EEC sugar regime over the past five years is that the consumers in Europe pay much more than the world market price, and that the Community surpluses, as admitted in a recent written answer from the Commission, have served to pauperize the Third World suppliers of cane sugar? Would he, therefore, not agree that the EEC sugar regime is one of the more immoral parts of the common agricultural policy?

Mr Richard. — I can answer the last part of the honourable gentleman's question much more easily than I can deal with all the assumptions that were contained in the bits leading up to it. No, I would not agree that it is the most immoral part of the common agricultural policy. As far as yields are concerned, there is no doubt whatsoever that the figures show the decline in production from 15 million to 13.9 million in 1982/83, and to 11 million in 1983/84. The extent to which this was due to the weather and the extent which it was due to the fact, as I indicated in my earlier answer, that there has been a decline of the beet acreage by no less than 18 %, I leave to the honourable gentleman to decide. His views on the weather are, after all, just as fallacious and just as vague as mine are.

Mr Hord (ED). — It seems to me that Commissioner failed to give Mr Marshall a reply to the second part of his original question, i.e. as to what proposals the Commission has in regard to the problem of the imbalance. Would the Commissioner agree with me that, unlike the cane sugar producers — a large number of whom are ACP members — the Community is in a position to substitute alternative crops for sugar beet, and, in this context, would the Commissioner agree that it would be sensible, firstly to reduce substantially the B and C quotas — if not completely to withdraw the C quota facility — and instead encourage the growth or expansion of protein plants for which the Community is not self-sufficient? In this way we would get a balance in the Community sugar situation without prejudicing the ACP countries.

Mr Richard. — That last question raises issues which go far beyond the original question and, indeed, my original answer. If the honourable gentleman wants to put down a question on protein plants within the Community, then, certainly, we would be delighted to answer it.

As far as the complaint that he made that I had not answered the original question is concerned, with respect I think he is wrong, as he will find out if he studies in detail the figures and the statements that I made. I said that the quantity has got to be looked at in the light of the Community's demand of around 9.5 million tonnes. The whole trend over the last few years has been towards the re-establishment of equilibrium in the sugar market as far as beet is concerned within the Community, and that seemed to be precisely what Mr Marshall was concerned about, that something should be done about the imbalance. On the figures I have given, it is quite clear that not only is something being done about the imbalance, but it seems to be being put right.

Mr Clinton (PPE). — Is it not also a fact that we are still importing 1.3 million tonnes of beet into the Community, and is it not also a fact that even the essential needs of the Community in sugar are being taxed at 2 % in order to ease the situation on the budget? I would like the Commissioner to tell Parliament how much exactly sugar is costing the Community at the moment?

Mr Richard. — The answer to that is that the Commissioner would be delighted to tell Parliament that, but only after notice.

President. — Before going on to the next question, I should like to state that I have made inquiries concerning Mr Habsburg's question to the Chair at the beginning of this sitting. I am given to understand that it was a decision of the College of Quaestors on 15 November that allowed this exhibition to be put up in Parliament. I very much hope, therefore, that this matter will be raised at the Bureau meeting tomorrow.

Question No 5, by Mr Nyborg (H-677/83):

Subject: Income and expenditure in connection with road tolls

Can the Commission state whether studies exist that show that expenditure connected with the administration and control of the collection of road tolls, the increased accident rate and the maintenance of roads that run parallel to toll motorways offsets or exceeds the income from road tolls, a relic of the past that still exists in some Member States?

Mr Contogeorgis, Member of the Commission. — (GR) The Commission has not on its own initiative

Contogeorgis

undertaken to carry out a survey, and is not aware of any studies that could supply a direct answer to the question put by the honourable Mr Nyborg. The Commission believes that it would be extremely difficult to calculate the probable increase in the accident rate and the expenditure for maintenance of the secondary road network, an increase said to be due to the fact that the imposition of tolls motivates more and more motorists to use the secondary road network.

For the present and from an administrative point of view, highway authorities to whom the right to impose road tolls has been granted use the proceeds as a matter of priority to cover the expenses of maintaining the roads for which they are responsible, as well as other expenses such as the cost of collecting the tolls. When they have covered those costs they have to service the initial loans contracted for the building of the roads. The Commission has information that some authorities are finding it difficult to meet their obligations.

Mr Nyborg (DEP). — (DA) I suspected that the matter was as the Commissioner has just explained it. I must admit I am bitterly disappointed that the Commission has not provided this information at a time when we have serious difficulties, partly because such tolls are being introduced in Austria and Switzerland. We are carrying on negotiations with other countries. Does the Commission not think, therefore, that it would be sensible to collect this information from those countries in which it is available? I know that such studies exist in the Member States, so it is merely a question of the Commission asking the countries concerned to make the information available.

Mr Contogeorgis. — (GR) As for the tolls accruing to third countries and Austria in particular, the Commission entrusted the preparation of a study to a private firm and the results of this study, which were submitted recently, are currently being analysed and examined.

However, as I said earlier it is extremely difficult to assess the economic results of the operation of tolls.

At any rate, the fact that tolls exist is already occupying both the Commission and Council, and I would like to inform Parliament that at the next Council meeting on 10 May, the Commission intends to ask Council to agree that so far as the building of new roads is concerned, tolls will not be imposed and agreements in force today will not be renewed.

Mr Blumenfeld (PPE). — (DE) The Commissioner's reply to Mr Nyborg's supplementary question is very helpful. I would therefore like to ask him whether, in view of the European public's irritation at the different systems for motorways and toll roads, the Commission would be prepared to include in its proposals a different system from the present one.

The question also arises whether the Commission is prepared to propose a financing method for new projects, not only roads but also for tunnels, for example, that is acceptable to the whole Community.

Mr Contogeorgis. — (GR) As you know, until two years ago the cost of building and maintaining the Community's communication networks, not only the roads but railways as well, was exclusively the financial and economic responsibility of the Member States. On Parliament's initiative, the budget for 1982 contained for the first time a related appropriation of 10 million ECU. In the budget for 1983 there was an allowance of 15 million ECU, and not until the 1984 budget was there a significantly large appropriation of 80 million ECU. I would like to inform Parliament that the Commission is already preparing, and will present at the next Council meeting on 10 May, a first programme of major communication works within the Community, with the prospect of completing it before the end of the year. However, the principal aim of these works will be to eliminate points of congestion, and they will be of broader interest to the Community. Furthermore, the Commission will submit proposals concerning the method of financing those works, not only from the budget, since economic means are limited, but from other sources as well, mainly from the Community.

Mr Purvis (ED). — I think in many cases these tolls run completely counter to other Community policies. Fife region, more appropriately known as the Kingdom of Fife, has toll bridges both to north and south and yet it is an area into which the Community pours very many regional, social and ECSC monies. Would the Commission not agree that this waste of time and energy, the risks of accidents and the disincentive to inward investment that these tolls can provide runs counter to other policies and it would be worth their while executing a proper study to see whether they are not in conflict with their other policies?

Mr Contogeorgis. — (GR) The existence of road tolls in some Community countries — to be specific, tolls operate in three countries but not in the other seven — constitutes an anomaly and is a matter about which both the Commission and Council are concerned. In this context, however, as I have already said, the Commission intends to call for a decision at the forthcoming Council meeting to prevent the conclusion of new agreements for the building of roads that would depend on revenue from tolls, and the renewal of existing agreements when they lapse. This will at least hold matters as they are. As for the rest, the subject is much more general, and is also largely related to harmonization of the Community's taxation policy in the sector of what is exacted from means of transport. On this subject a proposal by the Commission has lain before Council for many years, but unfortunately no decision has yet been arrived at.

Mr Gontikas (PPE). — (*GR*) I should like to ask the Commission whether it considers that the policy on tolls conflicts generally with the Community's directives on the free movement of citizens and, specifically, constitutes an obstacle to the development and spread of tourism?

Mr Contogeorgis. — (*GR*) It cannot be said that there is a conflict with the basic principles of the Treaties, since there is no discrimination between subjects of the country that imposes the tolls and those from other Member States of the Community. Of course, the existence of any sort of control is an obstacle to the free movement of people or goods between the Member States. The Community's intention and effort is to eliminate all obstacles.

President. — Question No 6, by Mr Rogalla (H-741/83):¹

Subject: Telephone charges on the Community internal market

Will the Commission say in which parts of the internal Community market it is currently the practice to reduce telephone charges during the night and on holidays?

To what extent do reduced telephone charges also apply to 'transfrontier telephone calls'?

Does the Commission consider it desirable in the interests of intensifying communication within the Community that reduced night and holiday tariffs should also be introduced for 'transfrontier telephone calls'?

What does the Commission intend to do to make progress in the interests of the citizens of this Community, and when?

Mr Narjes, Member of the Commission. — (*DE*) As far as the Commission is informed, reduced rate telephone charges apply in all Community Member States to inland telephone calls during the night, at weekends and on holidays. Telephone charges and the rate of reduction vary between Member States.

A number of Member States have unilaterally extended the reduced rates to transfrontier telephone calls between Community countries. The telephone companies in France, the UK, Italy and Luxembourg apply these reduced charges to calls to all Member States, with reductions of between 20% and 33%. The German post office grants the 25% reduction which applies to night-time and weekend calls to calls to neighbouring States.

¹ Former oral question without debate (0-154/83), converted into a question for Question Time.

This system is to be extended to all EC countries in the course of the year. The length of unit is to be increased to 12 seconds for calls to the UK, Ireland, Italy and Greece, in line with the rate for inland telephone calls over a distance of 100 km. This is to be increased to 16 seconds during off-peak periods in the evenings and at weekends for calls to the UK from the middle of the year. This rate has applied to Germany's neighbours since April 1983. This all goes to show that the European Parliament's recommendations of 22 September 1983 have already begun to bear fruit.

As we have emphasized on previous occasions, the Commission regards similar measures in all Member States as essential. We cannot have a functioning internal market without improved communications for the whole of Europe and for the Community's citizens this would be a tangible, visible sign of greater integration.

The Commission will do everything in its power to support the European Parliament in its endeavours to push through reduced telephone charges in all the Member States as soon as possible and will contact ministries and administrations in all those Member States which have not yet adopted this practice to encourage them to do so.

A communication from the West German Government to the Council on the subject of reduced telephone and postal charges has recently given this matter fresh impetus. If the Commission's recommendation is ignored, we will embark on a more comprehensive initiative.

Mr Rogalla (S). — (*DE*) I would like to thank the Commissioner for his positive and thorough reply. At first I was rather taken aback to hear phrases such as 'as far as the Commission is informed' and 'contact'. However, then the word 'initiative' came up and I would therefore like to ask Mr Narjes whether he agrees that, given there is no specific section on telephones in the Treaty — at the time it was drawn up there were no telephones, or at any rate hardly any — this field forms part of the development of the internal market and the Commission has an obligation to develop further initiatives? Is the Commission also prepared, within the framework of these initiatives, to arrange for a comparative study of the quality of the telephone network in individual Member States?

Mr Narjes. — (*DE*) I cannot entirely agree with your view of the history of the telephone. As far as I can recall there were any number of telephones in Europe in 1957.

I fully agree that telephone networks are an essential part of the internal market. Telecommunications systems to cover all the Member States are of necessity an aspect of the internal market. As far as the request for a study is concerned, I should like to point out

Narjes

that current developments in telematics have led to an intensive exchange of information at director-general level on the present state and future development of European telematic communications.

Mr Marshall (ED). — As rapporteur of the Committee on Transport, may I congratulate the Commissioner on the very positive reply that he gave, and can we have an assurance that if there is not further progress, it will be put on the agenda of an early Council meeting?

Mr Narjes. — (DE) Thank you for your encouragement. The view expressed by almost all postal and telecommunications authorities in the past that postal and telecommunications services were not the concern of the Community is no longer correct, because different tariffs and technologies, different dimensions and standards, can divide the market. Unification and harmonization of these areas is a task directly concerned with the creation of the internal market.

President. — With regard to Question No 7, by Mr Davern, its author — he is not here ...

Mrs Elaine Kellett-Bowman (ED). — May I point out, Madam President, that this question has been down for Question Time many times and the honourable Member never troubles to turn up to ask it. If he did, the Commission could inform him that these British lamb exports are perfectly legal because they count as processed.

Mr Harris (ED). — I think this is a genuine point of order.

We notice on our order-papers that this question, as Mrs Kellett-Bowman said, was given 'priority by reason of being carried over from the preceding Question Time pursuant to the President's decision of 14 December 1976'. Can you tell me whether this is going to be carried over yet again? Was there a request for it to be carried over this time, or is it now going to be given a written answer, as I thought would be customary, and as it does deserve to be given, in view of the fact that the honourable Member in whose name it has been tabled is not in his place to ask it?

President. — Mr Harris, as you will know, one can ask to have it taken orally the next time or it can automatically lapse and be given a written answer. As there will be no more Question Times in the lifetime of this Parliament, Mr Davern will undoubtedly choose to have a written reply.¹

Question No 8, by Mr Gauthier (H-719/83):

Subject: Wind energy

Does the Commission not think and will it propose that energy strategy should include a

genuine Community industrial plan for wind energy, with active support for wind research, particularly through the development of large-scale wind power stations that would allow the industrial exploitation of wind energy in the years to come?

Mr Narjes, Member of the Commission. — (DE) In view of the importance of wind energy for the Community's energy supplies, the Commission has decided to support the development of wind energy as part of its research and development programme and its economic expansion programme. In 1983 24 wind energy projects were granted financial aid amounting to a total of 6.1 m ECU under the support programme for demonstration projects. Of these, nine are large-scale plants.

The Commission has recently invited tenders for projects in this field. Large-scale projects form a significant part of the research and development programme for wind energy over the next five years, which has been submitted to the Council of Ministers. I would like to add that Community aerogenerators, namely from Denmark, Holland, Belgium and France, have a 20 % share of the USA market. Plant with a capacity of over 170 megawatts is in service.

Mr Gauthier (DEP). — (FR) I should like to thank the Commissioner for the very important information he has provided. These are technical problems which tend to escape the majority of people and they warrant a far more thorough-going study, particularly since I think that wind power will, once properly in use, be very popular and very much appreciated, because of its low cost, in isolated areas which have not the means of purchasing the energy they need. Let us not forget that, in spite of all the solutions envisaged, Europe is still prey to certain energy crises. Wind power will, in cases of this kind, provide a provisional answer.

I therefore call on the Commission to continue its work and to modify what is being done, so that wind power does become a universally recognized and accepted source of energy.

Mr Narjes. — (DE) The Commission is already taking the action suggested by the honourable Member. I would be pleased to send him and the committee responsible a brief summary of current projects. Our long-term goal is to provide 1 to 2 % of overall energy requirements from aerogenerators by about the year 2000.

Lord O'Hagan (ED). — Is the Commissioner aware that he is too modest about the efforts that the Community has already made? Is he not fully cognizant of the fact that we in North Devon are very proud of the grant given for an aerogenerator to the

¹ See Annex II of 11 April 1984.

O'Hagan

Island of Lundy, which would otherwise have the greatest possible difficulty in securing reliable energy supplies, and could he come soon, preferably in May or June, to see how we are getting on, ideally with promises of further money to expand the programme and the resources of the Island of Lundy, which I hope you will all visit during the summer holidays?

Mr Narjes. — (DE) If I have understood the question correctly, the main request is for participation in further projects. This will depend on the quality of the projects proposed in your constituency.

Mr Nyborg (DEP). — (DA) I must say that was an excellent piece of advertising we have just heard from Lord O'Hagan. But what I would like to ask the Commission is whether it would not be appropriate to draw up some rules for the application of wind power in the Community. It would be just as worthwhile as pursuing research, since I happen to know that Danish firms which build windmills and which are able to export them to the United States have difficulty in penetrating both the German and the Dutch markets. Does the Commission not think it would make sense to look at the technical barriers to trade which are raised by the authorities in the two Member States concerned, to the detriment of windpower development?

Mr Narjes. — (DE) As the Commissioner responsible for the internal market, I am very pleased to take up your suggestion. If there are problems with standards, they must be solved quickly. We are still at the stage of demonstration projects in the energy field, so that it may be premature, as we do not yet have an overview, to introduce standards which might place too strict constraints on further development. This is a question of a compromise between the demands of the internal market and energy policy. As the Commissioner responsible for the internal market, I tend, of course, to attach more importance to the former.

Mr Gontikas (PPE). — (GR) Could the Commission tell us in which countries such programmes have already been implemented, and specifically, if any related programme is envisaged for Greece?

Mr Narjes. — (DE) Unfortunately, I do not have a complete list available, but I will let you have it in due course.

President. — I understand that I did mislead the House. There will be Question Time next month. Therefore those Members who have put down questions and are not here can, of course, request that they should be taken orally next time.

I understand that Question No 9 by Mr Ephremidis is to be taken next time orally, since he has submitted a written request to this effect.

I very much hope, however, that in the next Parliament the Committee on the Rules of Procedure and Petitions will look into this question of people putting down questions and then failing to turn up to have their questions answered. I am afraid that it is bordering on a public scandal, in my view, and I hope that the next Committee on the Rules of Procedure and Petitions will take up the question of how to deal with it more effectively than it is now being dealt with.

Mr Spencer (ED). — Madam President, I refer to the point you have just made. In future Question Times, when there are requests in writing that questions be held over, could the Chair inform the House that these questions are not going to be taken? I have just sat here for an hour and I have learnt all sorts of interesting things from the Commission, but I now find that the question on which I have been waiting to ask a supplementary has been removed. If there are any more questions that have been removed, could you tell us now?

President. — If the House would be willing to wait just one minute, I can make inquiries and tell you which ones are being removed.

Quite honestly I do deplore this practice. If people put down questions, either they should be here or else get someone to take the question for them, because the Commissioner has come here with prepared answers and other people also want to take part and know the answers to these questions. It is a very unsatisfactory way of proceeding.

Question No 30 is apparently also to be held over.

Mr Moreland (ED). — On a point of order, Madam President, Mr Ephremidis' question is a page in length. Annex I of our Rules of Procedure says: Questions shall be admissible only where they are concise. I would have thought that this question does not conform to our rules.

President. — Mr Moreland, as you know, these questions are prepared by the staff of Parliament, and this will be drawn to their notice for another time.

Mr Pearce (ED). — Madam President, my point concerns the same rule. This question also contains assertions, which is also forbidden by Rule 44. Rather than merely following the course of action which you have just proposed, Madam President, I would like to propose to you formally now that this question be struck out and not taken next time, because it breaks at least two of the provisions of Rule 44. Would you agree to that course of action, Madam President?

President. — I must first study the question and see if your remarks are accurate before taking any further measures. If the question does contain any assertions

President

as alleged by Mr Pearce, this comment will be brought to the notice, once again, of the questioner in order that he should redraft his question and make it shorter if he wishes to have it answered.

Question No 10, by Mr Vandewiele (H-739/83):

Subject: Modification of Regulation No 543/69, on the harmonization of certain social legislation relating to road transport.

For what specific reasons has the proposal which the Commission promised to make by 1982 to amend Regulation No 543/69¹ not yet been submitted to the Council?

Mr Contogeorgis, Member of the Commission. — (GR) The Commission has already, on 22 March, submitted a proposal to Council amending Regulation No 543/69. The preparation of this proposed amendment was very time-consuming. Lengthy consultations were required with the governments and with social partners, and one reason why all this took a great deal of time was because an effort was made — and this was the wish of both the social partners and the governments — to achieve a harmonization of views concerning social aspects in the transport sector, so that the proposed amendment of the regulation would take account of all interests and all points of view.

Unfortunately the lengthy consultations showed that this was not possible, and thereafter the Commission acted according to its own judgment and made its choices, of course bearing in mind the result of all those consultations, which had lasted almost two years. As I said earlier, the proposal to amend Regulation No 543/69 is already before the Council.

Some slight delay is also due to the lack of budget appropriations during the second half of 1983, for which of course the Commission is not to blame.

Mr Vandewiele (PPE). — (NL) I should just like to thank the Commissioner for his answer. To save time, I hope that only Mr Moreland will put another question. That could be an example of brevity and allow many other Members to put questions.

Mr Moreland (ED). — I also, as usual, will give an example of brevity!

Can the Commissioner impress upon the Council the need to have a law which is operated uniformly in all Member States, which is clear and is enforceable and which relates basically to the commercial road-haulage industry and excludes some of the rather weird phenomena currently included, such as school mini-buses and jazz bands?

¹ OJ No L 77, 29 March 1969.

Mr Contogeorgis. — (GR) The Commission's proposal to amend Regulation No 543/69 is accompanied by a recommendation to Council concerning the way in which the regulation should be applied in the various Member States. A characteristic of the proposed amendment we submitted is that it is flexible in its implementation, thanks to the experience gained during the decade or so in which the regulation has been in force.

The Commission's proposal makes it possible to take account of special situations such as those referred to by Mr Moreland. As for the time scale involved, I would like to inform you that both the Commission and Council wish to see a decision by Council in time to have an amended form of Regulation No 543/69 by the end of the year.

President. — As the author is not present, Question No 11 will be answered in writing.²

Mr Seligman (ED). — Mrs Nebout's question has been on the list several times. It contains absolute nonsense and, I think, does no credit. It says '80% water'. That is quite wrong: you cannot get energy from 80% water!

President. — Mr Seligman, everybody is entitled to put in a question as long as it does not contain an assertion. I suppose it can contain false information. That is allowed, apparently, by the Rules!

(Laughter)

However, it is not debatable at the moment because Mrs Nebout is not here.

Question No 12, by Mr Moreland (H-752/83):

Subject: Gas tariffs in the USA *vis-à-vis* those in the Community

To what extent do current US federal controls of gas prices still place large industrial consumers in the Community at a competitive disadvantage relative to US firms?

Mr Narjes, Member of the Commission. — (DE) Large consumers in the Community pay between 12.5% and 25% more for gas than in the United States. This is calculated on the basis of the latest statistics available from 1982 and the figures were based on an exchange rate of DM 2.43 to the dollar. Energy-intensive industries in the Community, such as the chemical industry, aluminium smelters or the paper industry, whose energy costs amount to some 30% of overall production costs, have an average cost disadvantage of some 6%.

² See Annex II of 11 April 1984.

Narjes

Following the Natural Gas Policy Act in 1978, natural gas prices in the United States have been deregulated to a certain extent in a series of stages. New gas has already become almost twice as expensive as old gas. Deregulation is expected to continue. The price advantage that the American economy still enjoys will be considerably reduced, provided that the assumptions on which these calculations are based remain valid.

Mr Moreland (ED). — I would like to thank the Commissioner for his answer. Could he give us an assurance that the Commission will continue to raise this subject with the United States in the usual discussions because although we welcome the moves since deregulation of gas prices in the United States, their price system still has an effect on our own chemical industry and we must impress upon them the need to operate their gas prices at world price level?

Mr Narjes. — (DE) The Commission fully agrees with you. There is a further reason for continuing to press for deregulation in the United States, since American price developments, to which world production of hydrocarbons is geared, have a decisive effect on the relationship between supply and demand for gas oil on the world market.

President. — At the author's request, Question No 13 will be postponed to the next part-session.

Question No 14, by Mr Cousté (H-549/83):

Subject: Preparations for an ECU clearing system between European and American banks

What is the Commission doing to assist the development of the ECU clearing system between European and American banks? As this system is now being worked out, can the Commission ensure that banks of all the European countries will be able to join the system and that the ECU will thereby be able to acquire the status of a currency?

Mr Andriessen, Member of the Commission. — (NL) The Commission has taken the initiative by bringing together a group of banks with a view to establishing an ECU clearing system. The Commission is playing an active part in the group's activities, but it will not have the last word on the decisions this group of 18 banks will take. The articles of association which will unite the banks undertaking these clearing operations have not yet been adopted. However, the tendency seems to be that any bank wanting to join this system must have a registered office in the Community. This means that non-Community banks could be represented by a branch established in one of the Member States. At all events, all the participating banks, whether or not they are of Community origin, must be able to provide evidence of a substantial volume of transactions in ECU. The Commission made it a

condition — and this was accepted without difficulty — that the system should cover the whole of the Community. There is every reason to assume at the moment that as far as possible one bank from each Member State will participate in these clearing activities. The participation of a bank from a given Member State should not, of course, be taken to mean that the monetary authorities in that Member State recognize the ECU as a currency. Even if non-residents did not have the right to clear ECU transactions, a domestic bank could effect transfers for them.

Mr Cousté (DEP). — (FR) I listened to the answer the Commission has just given very carefully and, before putting the additional question it prompted me to ask, I should like to congratulate the Commission on its initiative. In the matter of compensation for ECUs, it is indeed a good thing for a system to be established between the American banks and the European banks.

So my question is, first, which are the 18 banks you mention, as that, I think, is an important piece of information you have just given the House, and, second, if you envisage one bank per Member State — as you have just mentioned, Mr Commissioner — would that bank be a commercial bank or an investment bank and third, would the European Investment Bank be involved in this system?

Mr Andriessen. — (NL) I cannot unfortunately give the names of the 18 banks concerned. As far as I know, various kinds of banks are involved in this project. It seems obvious to me that the European Investment Bank will also be involved. I am quite prepared to give a written answer to the honourable Member's question.

President. — I would have thought the answer would be of interest to all Members of this House and I would request, therefore, that it be included in the Journal rather than a private communication to the Member if that is possible.

Mr Andriessen. — (NL) Any information forwarded to one Member is available to Parliament as a whole. I will try to ensure that it is forwarded through the appropriate channels as soon as possible.

Sir Brandon Rhys Williams (ED). — Will the Commission bear in mind that under the Treaty all Member States are committed to work towards the creation of a free and fully integrated Community market for capital? Will the Commission therefore see to it that all Community citizens in every Member State are permitted to use the ECU freely and without restriction so that the ECU has a chance to become a currency which will genuinely know no frontiers and so that its growth into regular use will not be handicapped by any controls?

Mr Andriessen. — (NL) The Commission could not have expressed its aim of giving the ECU the status of a full currency within the Community more clearly. To this end, the Commission has drawn up numerous practical proposals, which are now before the Council of Ministers. It cannot be said that satisfactory progress is being made in the Council in every area on which the Commission has submitted proposals. The Commission will do its utmost to ensure the earliest possible achievement of the honourable Member's goal, which it fully endorses.

President. — As the authors are not present, Questions Nos 15 and 16 will be answered in writing.¹

Question No 17, by Mr Gontikas (H-639/83):

Subject: The Greek Government's policy of enacting provisions on the nationalization and 'socialization' of undertakings in defiance of Community regulations.

The November/December 1983 issue of the influential Greek financial periodical, the *Industrial Review*, expressed reservations with regard to the Greek Government's continued policy of nationalization (covert or otherwise); it criticized in particular the government's strategy of manipulating the financial system so as to render loss-making undertakings viable, with the ultimate aim of eliminating the private sector and private initiative and paying the way for a Pasok one-party State.

Would the Commission state whether the Greek Government has kept it informed of these restrictions imposed on the free movement of Community capital to and from Greece, and what measures it intends taking to prevent these anti-Community financial provisions being put into effect?

Mr Andriessen, Member of the Commission. — (NL) The Commission has not been officially informed of a support measure designed to ensure the recovery of undertakings which are in difficulty. It will naturally inform the honourable Member and Parliament as a whole as soon as it has received information on the investigation which the question implies is now being carried out by the Greek authorities. The Commission has noted that there are difficulties, and it has also had difficulty persuading the Greek authorities to ensure the correct application of certain articles of the Accession Treaty relating to movements of capital. The Commission is continuing to monitor this situation closely and has on various occasions taken steps to persuade the authorities concerned to fulfil the obligations they have entered into in this respect. In a few clear cases submitted to the Commission, it has initiated the necessary procedures under Article 169 of the Treaty.

¹ See Annex II of 11 April 1984.

Mr Gontikas (PPE). — (GR) I thank the Commissioner very much for his answer, which is however, as he himself said, incomplete. My supplementary question is as follows: Is the Commission aware of the manner in which the Greek Government deals with the matter of socialization, and if not, does it intend to ask for clarifications where necessary?

Mr Andriessen. — (NL) The Treaty of Rome leaves it to the Member States to decide on their economic order, which means that it is for them to decide whether or not they wish to nationalize undertakings under their own legal systems.

The Commission's task in this is to establish not whether undertakings have been nationalized but whether, after nationalization, they continue to satisfy the normal conditions imposed on them by the Treaty. In this respect, the Commission's attitude towards the Greek authorities does not differ from its attitude towards other authorities.

Clearly, if and to the extent that it transpires that nationalized undertakings in the Member State concerned do not satisfy the requirements set out in the Treaty, the Commission will take the appropriate action.

Mr Plaskovitis (S). — (GR) As a supplementary, I would like to ask whether it can in fact be considered that the free movement of Community capital is being obstructed by the fact that a Socialist Government such as Pasok is implementing its declared policy by exercising financial control over industrial undertakings that are unable to meet their obligations despite the large credits they have received from monies supplied by the Greek taxpayer?

Mr Andriessen. — (NL) It is not, of course, of any concern to the Commission whether the government of one or other Member States takes certain measures. What the Commission is interested in is that the same rights are enjoyed by all those who engage in economic activities or in banking or any other sector in a given Member State. The Commission will take action if the circumstances so require regardless of the government's political complexion.

President. — Question No 18 by Mr Simmonds (H-27/84)² which has been taken over by Mr Seligman:

Subject: Transport of horses intended for slaughter

Will the Commission please make a statement on what action has been taken on the Herklotz report on the transport of horses intended for slaughter?

² Former oral question without debate (0-140/83), converted into a question for Question Time.

Mr Andriessen, Member of the Commission. — (NL) Since the approval of Parliament's report the Commission's services have continued their activities in connection with the technical aspects of the problem. This problem concerns not only horses but other animals intended for slaughter and transported from one country to another.

A publication on the activities of the Standing Committee on Agricultural Research has already appeared. A special investigation into the problems arising in connection with the transport of animals intended for slaughter is almost complete.

A considerable amount of time has also been devoted in our programme to deciding what legal provisions are needed to improve Community legislation on the transport of horses intended for slaughter between Member States and from third countries to the Community.

I regret that, as things stand at present, there is no prospect of practical proposals being made in the immediate future, but the Commission hopes to comply with Parliament's request as soon as possible.

Mr Seligman (ED). — In view of his constructive reply, I will not recommend the slaughter of the Commissioner. However, on behalf of the Intergroup for Animal Welfare, I would like to say that this has been going on much too long, and ask if it is right to leave supervision of this inhumane treatment of animals, depriving them of water and food for many hundreds of miles, solely to organizations like the RSPCA? It seems quite wrong that this can go on in that way. Will he therefore take urgent measures to enforce the regulations which already exist about cruelty to animals during transport.

Mr Andriessen. — (NL) I willingly promise to try to ensure that the existing regulations are applied as strictly as possible and that appropriate additional regulations are proposed by the Commission as soon as possible so that they can enter into force by the normal procedure.

Mr Turner (ED). — I know there is a lot of feeling amongst people concerned with animal welfare that the regulations are not actually being applied in parts of Europe. We have had quite a lot of evidence given to us, some of which may not be completely accurate. I should like to ask the Commissioner if there are the facilities to see that policing is being carried out by the national authorities or not, and, if not, what is needed?

Mr Andriessen. — (NL) I cannot say that the Commission is able to supervise, directly or indirectly, all transport operations that are carried out or to detect any abuses that may occur. What I can say is that, if the Commission receives information directly

or indirectly, it will take appropriate action. I cannot promise that this will cover all activities throughout the Community. Nor, to be honest, can this reasonably be expected of the Commission. We do our best, of course, to take the necessary action when we hear of abuses.

President. — Question No 19, by Sir James Scott-Hopkins (H-653/83):

Subject: Common electricity grid

What proposals does the European Commission have in mind to make to facilitate the creation of a common electricity grid throughout the Ten? Would not such a Community grid afford the best chance of establishing a common pricing policy for electrical power throughout the Community?

Mr Richard, Member of the Commission. — The Commission has already indicated to the Council that a proposed programme for Community investment in energy and energy research should include measures to achieve the greater integration of electricity networks in the Community. The Commission is currently examining this question with a view to establishing the most appropriate and effective measures to be used and how these might be implemented. It intends to submit proposals to the Council at the appropriate time. The increasingly extensive system of interconnection built up over the years by the electricity producers has resulted in an improved economy and increased security of electricity supply. The Commission considers that the increasing use and extension of this system constitutes a positive contribution to the rational use of energy.

Concerning a common pricing policy for electrical power throughout the Community, the Council recommendation of 27 October 1981 on electricity tariff structures in the Community sets out common principles on which such structures should be based. Full implementation of these principles offers the best means of ensuring equality of treatment for electricity consumers in the Community. However, given the widely differing fuel sources of electricity production structures in the various Member States and the fact that the overall net exchanges of electrical power will remain for the foreseeable future a relatively small proportion of total electricity consumption, actual electricity prices to the different classes of consumer will continue, I fear, to be dominated by factors specific to individual Member States.

IN THE CHAIR : MR MØLLER

Vice-President

Sir James Scott-Hopkins (ED). — Would not the Commissioner agree that speed is needed in the exam-

Scott-Hopkins

ination and, indeed, when the Commissioner talks about the appropriate time, can he give the House any indication as to when he means and when the examination will be finished because this has been dragging on for a long time? Would he not accept that it is really terribly important to get a common pricing system although there are the problems which he mentioned? Surely it is not beyond the wit of man and himself and his colleagues to devise a system which goes beyond just general guidelines which have been accepted to embrace a really sensible and rational system of pricing throughout the Community, the want of which at the moment is leading to a vast amount of problems?

Mr Richard. — Of course it is feasible and possible, sensible and reasonable and all those other nice adjectives the honourable gentleman has just used, to devise a system of common pricing. He is absolutely right. The difficulty lies in persuading the Member States that they also should think that it is sensible, reasonable and rational, and there are problems. As far as the first part of the honourable gentleman's supplementary is concerned, the appropriate time is obviously when the Commission has completed its examination. How are we getting on with the examination? With all due diligence and possible speed.

Mr Purvis (ED). — It seems to me that the Commission is a little defeatist about this. It says that it is going to be many years before we see much real integration of the Community electricity grids and it will all be on a national basis, or to a large extent on a national basis, in the foreseeable future. Well, if we are talking about the benefits of European integration in economic terms, we must compare ourselves with the Russian or American scale of things where they take advantage of different time zones, different peaks and so forth in their energy consumption. Until we are prepared to take that fully to heart, we are never going to be able to compete with them as a European economy. Therefore, would the Commission undertake to put much more urgency and more optimism into achieving a proper European community grid which will be to the benefit of the whole economy?

Mr Richard. — Yes.

Mr Enright (S). — Does the Commission not agree that were Mrs Thatcher to talk about a positive energy policy instead of talking continually just about cash and public sector borrowing requirements, we could get sensible policies in this field?

Mr Richard. — No.

(Laughter)

President. — The first part of Question Time is closed.¹

¹ See Annex II of 11. 4. 84.

Mr Gerokostopoulos (PPE). — *(GR)* I ask that my question No 38, which was not discussed today, be included in Question Time at the next part-session.

President. — Your question will be taken at Question Time in May.

Sir James Scott-Hopkins (ED). — On a point of order, does that mean that all the questions which have not been put to the Commission today will go forward to next month? Surely that is not the form. Also, regarding the point which was made earlier as a point of order during Question Time, how can it possibly be that Question No 53 by Mrs Gaiotti De Biase has got through when it is a page long and asks five questions in one? Does the Presidency never examine these questions or do the officials just look at them and smile — as one of them is doing now — and it goes through? If so, it is quite intolerable and had better be changed very quickly.

President. — Sir James, those who want their questions taken at Question Time in May can have this done. As regards the other part of your point of order, I can see no reason why Question No 53 should be included. But I shall have this matter taken further and I hope you will receive an answer later.

Mr Enright (S). — On a point of order, is it not true, Mr President, that oral questions with debate which are converted into questions for Question Time will, inevitably, in fact, be long? Can we be careful not to mix up the two types of questions? There certainly are questions put down for Question Time that are too long, but this is not an example of such.

President. — This is a former oral question which has been converted into a question for Question Time. That is why it is so long.

Mrs Elaine Kellett-Bowman (ED). — Mr President, in Annex I, Guidelines for the conduct of Question Time under Rule 44, on page 74 of the English version it says:

If neither the questioner nor his substitute is present, the question shall be answered in writing by the institution concerned and published together with the answer in the Report of Proceedings.

Now Question No 7 has been on the agenda month after month. The questioner has never troubled to appear, so that this highly insulting question to my country has been unable to be answered. I would respectfully suggest that he receive his reply in writing and not be allowed continually to have the same question on the order-paper without having the courtesy of turning up to ask it or getting a substitute to do so for him.

(Cries of 'Hear, hear!' from the European Democratic Group)

President. — I shall pursue your recommendation, Mrs Kellett-Bowman.

Mrs Duport (S). — (*FR*) I should also like to see Question No 47 postponed until the next sitting.

President. — Your request will be considered.

Sir James Scott-Hopkins (ED). — I am sorry to keep coming back to this point of order, Mr President, but we are rapidly making Question Time a mockery. I accept what has been said by Mr Enright across there, that there is a difference regarding oral questions with debate which are transferred to Question Time, but when they are transferred they must be transferred in proper form, not a page long and putting five questions. If you allow that through, Mr President, you make a mockery of the rest of Question Time. Priority should be given to the author — that I agree — but they should be redrafted in a concise form.

If you look at Question No 53, it, in point of fact, asks five different questions. This is an absolute mockery and an abuse of Question Time and really should not be tolerated.

It is not for you to answer now, Mr President, but I ask you to take it to the Bureau.

President. — Sir James Scott-Hopkins, your request will be brought before the Bureau, but we are in a very difficult situation here because of the forthcoming elections and we are trying to deal with as much of the accumulated business as possible by then. That is why a lot of oral questions have been converted into questions for Question Time.

6. Action taken on the opinions of Parliament

President. — The next item on the agenda is the Commission's statement on the action taken by it on the opinions and resolutions of Parliament.¹

Mr Purvis (ED). — Last month I asked the Commissioner whether there had been any response to Parliament's urgent motion on food aid for the Arab Republic of North Yemen. The motion we passed was in February, and there is still no mention of it this month. Has the Commissioner any news as to what is happening about this request for food aid — 33 000 tonnes of wheat for an area which is stricken by drought and previously by earthquake? This is the second month running I have asked this question.

Mr Andriessen, Member of the Commission. — (*NL*) At the moment all I can say is that the Commission is looking into this matter. I agree with the honourable Member that this has been going on for some considerable time. He has a right to an early answer, and I promise him — and Parliament as well — that we shall give a definite answer in the very near future.

¹ See Annex II.

Mr Purvis (ED). — Could I ask the Commissioner in what form he is going to give this response and when? Will he give it prior to the next part-session? Will he telegraph all of us with the results? Will he make his own statement, regardless of whether I ask it for the third time or not? How shall I hear that this has actually happened?

Mr Andriessen. — (*NL*) The answer will be given in writing before Parliament's next part-session.

President. — The next item on the agenda is the debate on:

— the report by Mrs Pruvot, drawn up on behalf of the Committee of Inquiry into the treatment of toxic and dangerous substances by the European Communities and its Member States, on the treatment of toxic and dangerous substances by the European Communities and its Member States (Doc. 1-109/84)

— oral question with debate by Mr Alber and others to the Council (Doc. 1-24/84)

Subject: Treatment of waste in the European Community

1. What conclusions does the Council draw from the fact that its decisions on the implementation of Community programmes on the treatment of toxic and dangerous waste have not produced satisfactory results, as shown in particular by the disappearance of drums of material from Seveso?

2. What conclusions does the Council draw from the fact that some Member States have been slow to implement Directive 78/319/EEC, some have failed to implement it in full and one has not yet implemented it at all?

— oral question with debate by Mr Alber and others to the Commission (Doc. 1-107/84):

Subject: Report by the Committee of Inquiry into the treatment of toxic and dangerous substances in the European Community and the Member States.

1. How does the Commission intend to take account of the conclusions contained in the report by the Committee of Inquiry into the treatment of toxic and dangerous substances, when implementing Directive 78/319 and devising a European policy on waste?

2. What justification is there for the Commission's slowness in proposing a European policy on waste, and its failure to request the financial means and staff needed to devise and implement it?

Mrs Pruvot (L), rapporteur. — (FR) Last year, at the instigation of Mrs Weber, to whom I should like to pay particular tribute today, and of a hundred or so of us, a committee was set up to look into the application of Directive 319 which the Council adopted in March 1978. The events behind this were the dramatic accident at Seveso in July 1976 and, more recently, the fantastic disappearance of 41 containers of dioxin-contaminated waste, which had crossed the Franco-Italian border — more easily, indeed, than a few bottles of Chianti — and were unable to be traced.

Honourable Members, I ask you, if the European Parliament had not taken this serious problem up, who would have done? So the question put to the Commission was a particularly simple one — has directive 78/319/EEC been applied?

My aim here is not to draw up a roll of honour or dishonour. The time allowed me is too short to recount everything that went on at the hearings we held or to list the particular responsibilities of individual governments. Overall, the answer is obvious. The directive has not been applied properly.

I shall only give you one example. Article 5 of the directive provided for the necessary steps to be taken to prohibit the abandonment and uncontrolled discharge, tipping or carriage of toxic and dangerous waste. Are you aware that at least half this waste escapes all control and that it is disposed of here and there outside our towns and villages?

But without underestimating this unacceptable situation and trying to understand why the 1978 directive was not applied, our Committee of Inquiry has come up with unexpected results which seem to me to be of considerable importance.

Certainly, we found that the Commission had failed to set the infringement procedures in motion. We found shortcomings on the part of the governments and inability on the part of the Council. But that is not all. Do you realize that, at a time when science and technology are causing upheavals in our industry, industry is behaving very much like a predatory ancestor and leaving about 80 % of the waste products of production to pile up on tips, which are a danger to the health of the population, an environmental disaster and an immense economic waste too?

Thanks to science and technology, we could recycle 80 % of the waste, making secondary raw materials among others, and do so today in what is often a profitable manner. Do you realize that, if we did this, we could create 1-2 million jobs in the Community over the next 10 years? There we have an essential change to make in our industry. The waste industry, which has been left off the list of new industrial sectors, has to be developed. Waste, of course, is less evocative and less attractive than robotics or data processing. But a large number of jobs can be created here perhaps more than in other branches. At a time when, in each

of our countries, the list of sectors in crisis is getting longer, factories are closing down and people are wondering how to create the jobs of tomorrow, the waste sector has been forgotten. That, to my mind, is the essential conclusion of the Committee of Inquiry and that, basically, is why the 1978 directive has not been applied, because the importance of the economic stakes attached to waste has been underestimated by the European institutions, by the governments and by industry — to the detriment of its own interests, even — and, it has to be said, by the ecological movement, which have passed the problem by. So, going beyond the formal conclusions and specific requests made to the Commission and the Council in the conclusion of the report, I should like to end up by insisting on the major political interest of reconciling the economy with ecology.

Mr Commissioner — it is you I should like to speak to — is not the framing of a European waste policy also a way of reconciling the economy with ecology and ensuring that, tomorrow, our firms are the greatest defenders of the environment? In spite of the fact that this conclusion may come as a surprise to some of us, it is, I think — and this is the most important thing — a message of hope for future generations and a major undertaking for the European Community and the European Parliament.

(Applause)

Mr Alber (PPE). — (DE) Mr President, ladies and gentlemen, various accidents with toxic and dangerous waste, in particular those in Gouil and Martelange, and even more the Seveso incident, have drawn public attention to the hazards of dangerous toxic substances. These incidents are only the tip of the iceberg. Equally shocking is the fact that it is obviously easier to cross borders with 41 barrels of highly toxic substances than with one packet of cigarettes above the allowance. Public outrage is perfectly justified.

The work of the Committee of Inquiry covered not only these individual incidents, but, as the rapporteur has just mentioned, we also considered the general question of waste management, not simply waste disposal. The figures show that the Community produces some 2 300 million tonnes of waste each year. Most of this is agricultural waste, but none the less industrial waste amounts to approximately 200 m tonnes. Of this, 30 m tonnes are toxic and dangerous, and 3 m tonnes are disposed of across borders. The illegal disposal of waste probably amounts to a further 100%. This whole problem is like a time bomb. What is needed is waste management, but this term poses a further problem, that of definition.

What is waste? The definition I find most apt came up during the hearing when waste was defined as raw materials in the wrong place. It is a fact that 90 % of waste is disposed of although 90 % of waste is recyclable. This represents not only a source of raw mate-

Alber

rials, but also an opportunity of creating more jobs. Studies have shown that waste management offers a potential of up to 2 million jobs.

New technologies and new methods of production must be developed to ensure, where possible, that waste products are not created in the first place. Where they do arise, they must be recycled and — as I have said — 90 % are recyclable. The rest must be disposed of under strict control. In principle, the country that creates the waste must provide for disposal. There may have to be exceptions in certain cases, but in the main waste should be disposed of where it is created.

Secondly: production processes must include waste disposal. This would require changing the whole monitoring system. If an industry cannot demonstrate how and where it intends to dispose of its waste, then it may be necessary to ban the production process in question altogether. Controls cannot be the primary instrument, we must appeal to manufacturers' sense of responsibility, with controls playing a subsidiary role. The whole problem becomes less critical if proof of the availability of disposal facilities, and agreement by the authorities responsible that they will accept the waste is required at the initial planning stage.

As far as this aspect is concerned, there must be a certain element of compulsion. During the committee's investigations it became clear that waste was sometimes disposed of improperly because some plants were not prepared to accept certain toxic substances, although technically they were fully equipped to do so. If opportunistic political motives are allowed to prevail in this area, then it is no wonder if recourse is made to legally dubious methods from which we all suffer.

Further: apart from the problem of definition, clear guidelines on concentration levels and maximum quantities are essential. Given that most waste is transported by road, with all the risks this implies, then it is a miracle that there have not been more catastrophes. It is no use knowing how dangerous a certain substance is if the level of concentration and maximum quantity are unknown.

It has been asserted that the weak acid wastes that are dumped in the sea are not really dangerous: as proof, the owner of the disposal company drank a glass. I do not want to suggest that this should, in future, be *the* method of disposal, but it does demonstrate that concentration levels are as important as quantities.

Transport is the main problem and we must ask ourselves whether any distinction between waste and useful substances is necessary. As far as the degree of danger is concerned, it is obvious that toxic and dangerous substances cause the same damage as toxic or dangerous waste in an accident. As far as transport

is concerned, therefore, there should be no distinction between waste and other substances. The companies involved must also be trained and equipped with the most up-to-date facilities. In Bavaria, for example, one single waste disposal company services 12 000 undertakings producing special wastes. This is an intolerable state of affairs. 1.3 million way bills are issued in the FR of Germany every year: no wonder checks can only be carried out on a random basis!

We appeal to the Commission for more staff. One man trying to do the work done by 400 in the United States is out of all proportion. We also reproach the Commission to a certain extent for its failure to check the implementation and application of the directive on the scale that, with hindsight, should have been done.

Indeed, there is something of a gap between implementation and application. Some countries — I choose my words carefully — seem to have a more casual attitude to implementing laws than others. In the long term this is unacceptable. No one is prepared to accept responsibility and when it can no longer be evaded, the federal structure of the Community is exploited. Constant buck-passing where this matter is concerned will not do. I am pleased that Parliament has taken the matter up and demonstrated to the public that it is prepared to accept responsibility.

I feel that Parliament has acted commendably and I am glad that we set up this Committee of Inquiry. It was the first of its kind in this Parliament and I welcome the fact that the governments, after initial hesitation, did cooperate. The question raised initially by some experts on constitutional law of whether the committee was admissible, was not ultimately of any great significance.

I would like to make one final point: it has become obvious that other directives and regulations are also not being applied properly. As long as this Parliament has no real legislative powers, merely powers of control, then we should consider whether the next Parliament should set up a standing committee to control the application of legislation. In the same way that there is a Committee on Budgetary Control, a Committee to monitor the implementation of directives would be useful. I believe that this could be a further contribution by Parliament to European integration.

In conclusion, I would like to thank Mrs Weber and Mrs Pruvot for their initiative and report. I would also like to thank all those colleagues who lent us their expertise. The work was not easy, partly because of the lack of time. I would particularly like to thank our secretariat and all those who worked on the report. In my opinion, this report not only demonstrates how directives should be formulated in future in order to

Alber

prevent accidents, but also shows how a Community waste management system could be organized to the benefit of our peoples and to create jobs.

(Applause)

Mr Sieglerschmidt (S). — *(DE)* Mr President, ladies and gentlemen I find it hard to speak to you today: Mrs Weber, who is prevented from being here by a close family bereavement, should have spoken first on behalf of the Socialist Group. She deserves to be commended by the whole House for her initiative, without which, as has already been mentioned, this committee would probably not have existed and we would not have achieved this breakthrough.

The Socialist Group welcomes this report and in particular the fact that the Committee of Inquiry unanimously adopted both the report and its conclusions. We hope that this consensus will also prevail on the motion for a resolution which follows discussion of the oral questions. We believe that unanimity on this subject is very important. Harmony is not always of benefit to a parliament, but in this case it is important *vis-à-vis* other bodies that this resolution and the Committee of Inquiry's conclusions should be shown to have the greatest possible support.

Of course, if we had been able to decide freely, some points might have been formulated differently or with greater emphasis. I am thinking particularly of dangerous production processes. Perhaps we could have stipulated that the usefulness of any product must be set against the dangers involved in the disposal of the waste produced. We deliberately omitted this point, since in our opinion the report's conclusions at least touch on all the vital aspects. We are thus able to vote for this report with a clear conscience.

The Commission's omissions, Mr Narjes, could have led us to table a motion of censure of the Commission. We did not do so because we felt that, under the present circumstances with the end of both Parliament's period of legislature and the Commission's term of office, this could have been interpreted as a publicity stunt.

But I would like to make it quite clear that my group — and I hope that the other groups have similar intentions — propose to take up this report in the next Parliament and the new Commission would be well advised to make it clear in its programme that it is prepared to act on the conclusions and Parliament's suggestions in the motion for a resolution.

There is a moral to be drawn from the facts that we have established by the authorities involved, the Commission, the Council and the Member States. Firstly, responsible politics differs from administration in two ways: it involves planning and the setting of priorities. To our great regret, the authorities

concerned have failed to appreciate these two political factors and have confined themselves to administration. Must there be a catastrophe before any action is taken and must this action then be forgotten again as soon as possible? I appeal to all the authorities concerned to free themselves from the dead weight of bureaucracy. Secondly, good intentions alone, which we fully credit you with, Mr Narjes, are not enough. Despite good intentions, many evil things have happened in this wicked world and the EC countries must change their thinking on legal traditions and habits — otherwise we will not make any progress. I am sure you agree with me, Mr Narjes. Thirdly, the work of the Committee of Inquiry shows that the European Parliament can achieve a great deal if it takes its rights and duties seriously, even when these are not expressly formulated in law.

I hope that all those involved will have learnt from this and in conclusion I would like to say that when the Bible enjoins us to subdue the Earth, this does not mean that Man can do as he pleases with this Earth, but that we should act responsibly to safeguard Divine Creation.

Mr Ghergo (PPE). — *(IT)* Mr President, ladies and gentlemen, I should first like to express my personal thanks to Mrs Pruvot, as well as my group's satisfaction at her brilliant report, bearing in mind the spirit that accompanied the original proposal to set up a committee of inquiry which was dictated, in some cases, more by the desire to investigate the Odyssey of the dioxin drums than by the need to seek out the gaps in the application of Directive 78/319/EEC and the reasons for these gaps, as called for by the Bureau. I can therefore only congratulate the rapporteur on the integrity, completeness and well-balanced nature of the report that she has submitted.

A word of thanks must also go to Mr Alber for the skill and wisdom with which he chaired our meetings, with the many hearings and visits that were involved.

I think, at all events, that, in the face even of some difficulties due to the very nature of the task undertaken by us, we have succeeded in throwing some light on the situation at present governing the handling of toxic waste inside our Community. We hope that the intensive work carried out by the Committee of Inquiry will have opened the way for the rapid improvement of a somewhat uncertain and dangerous situation.

It is worth remembering that society, by controlling the environment, is trying to win benefits that are worth more to us than the controls themselves. We must therefore ensure that the benefits to the Community, whether they can be pinpointed or not, are worth the price they cost. Well, environmental control also protects the health of mankind, as well as restricting damage to property.

Ghergo

In the United States, Congress, in approving the famous Clean Air Act, decided that the protection of the health of mankind was alone more than sufficient to justify the cost of reducing environmental pollution.

In many cases the additional cost of environmental control represents only a small percentage increase in the cost of using our resources and, in reality, the effects are not felt by the consumer; in fact, by paying this price, they are only adding to the price of products those social costs that they would anyway have paid in the form of medical assistance for pulmonary disease, or other harmful effects on health.

May I, in conclusion, be allowed to make a small observation on three points that seem to me important: first, in speaking of toxic waste, it is customary to distinguish between nuclear and non-nuclear waste. Whilst this distinction is permissible from the psychological and scientific point of view, it is one that has led to a total lack of coordination between the two sectors. Yet the scientific and technological progress that has been achieved in one of the two sectors could be effectively used by the other. Only in France do we find the first example of collaboration between these two sectors, with the Agence de Bassin. I hope that that may constitute a good example for future progress.

My second point. At present the European Community and the OECD are considering the regulations for the transfrontier carriage of toxic waste. I consider that at the same time each Member State, with the collaboration also of the Community, should take adequate steps to deal, within its own frontiers, with at least some of the cases arising there, so as to reduce the potential risk of dispersion which the carriage of toxic substances involves and to prevent some country or other becoming a place of asylum for all waste. Every country ought therefore to be ready to tackle the disposal of its own waste, whether by burying it, burning it, or providing for its chemical treatment.

Point three. Our investigation showed that a very great deal still remains to be done regarding the classification of toxic matter. Today the classification is absurdly incomplete, incorrect and even, in some cases, totally lacking. Often the index of harmfulness that is adopted is the unit of measurement used for determining its weight. I therefore call on the Commission and competent national authorities to put in hand without delay the classification of refuse and toxic substances by degrees of harmfulness and, as happens in the nuclear sector, to fix, for each dangerous product, maximum permissible concentration limits in air and in water, so as to prevent, with an adequate safety margin, pollution from harming not only the population as a whole, but also groups of people who are particularly exposed to it.

I should like to conclude by thanking the Lombardy Regional Authorities who have collaborated to their

utmost, both by providing material and information, and by granting access to the site of the notorious Seveso incident.

Mr Turner (ED). — Mr President, first of all may I say that it is only for a technical reason that my name is not on the resolution which I entirely support; and so does my group. We also support the rapporteur's report. I think she has done extremely well, as has the chairman. This is the first time that we have had this experiment and it has been highly successful. The European Parliament does have a much wider possibility of consultation with interests in Europe than does the Commission or the Council. Normally we go out to those interested and we talk to them. On this occasion they came to us and we had a very, very wide coincidence of interests. Also, I was extremely pleased that local authorities welcomed being able to come here and give their views directly rather than going through their central national authorities.

This is also a first experiment in being a systematic follow-up of the national implementation of a directive, in this case the 1978 directive called the Seveso directive, and I would draw your attention to paragraph 30 of the report. It is an exceedingly complex matter to follow up national implementation of directives like this. One has complex national laws and one is grafting on to them a complex new directive and it requires, I have no doubt whatsoever, legal experts from the countries in question to look at their own law to see whether or not their own country has complied with a new directive. No other way will do.

In sophisticated countries — and I would mention particularly Holland, Germany and Britain — they had a very complicated law already, they applied the new law in their own way, they had the best of intentions, but in no case did they succeed entirely in incorporating the new law into their old law. That is not because they did not want to do so, it is because it was too difficult for them. I think the only way to make sure that this does not happen in future — and I am quite sure it has happened a great deal in the past with many directives of many sorts — is, as I say, for the Commission to have consultations with legal experts in each country who will go through the law of their country systematically and see whether the directive in question has been applied.

For the first time, the European Parliament actually did this with six major countries — Germany, Holland, France, Italy, Britain and Belgium — and they found inconsistencies in three countries with regard to the list of substances which should be covered by the directive; they found inconsistencies in three countries as to what 'toxic' meant; they found inconsistencies in three countries — and these are not the same three countries each time, I may say — as to immediate disposal of toxic materials, and

Turner

they found inconsistencies in five countries out of the six on labelling, especially with regard to transport. This is very serious and the Commission was not aware of this. I have seen their documents and this was only discovered because of what Parliament carried out by its own services. I therefore urge a more systematic method of following up in future.

In conclusion, on this aspect, I would like to say that the systematic follow-up must result in reports from experts in each country, those experts must then get together and discuss with each other what each country has left out, because one expert will think of one thing and another expert of another thing, and, finally, the report must be given to the European Parliament. Mr President, I hope I can take a little bit of your own time in this debate, which Mr Kirk is going to take up because he assures me he is only going to be half a minute, and may I therefore just have one more half minute — which is half of your minute which Mr Kirk does not want. And it is simply to say this, that if the Seveso directive had been in effect in 1980 and onwards the 41 barrels would not have gone from Italy to France. But it was not fully in effect in any of the countries of the EEC, and that is why the barrels got across. That is the lesson we have to learn. There are many more which I have not got time to mention to you.

Mrs Squarcialupi (COM). — *(IT)* Mr President, the committee of inquiry set up by the European Parliament has the merit of having started the discussion of a whole set of situations, and of having identified many responsibilities. Above all, it has given the European Parliament an instrument with which to monitor the action taken by Member States and by the Executive — which should be the keeper of the Treaties — and remind Member States of their European commitments.

But the committee of inquiry has also questioned once again the present means of production, which are highly pollutant and waste vast amounts of raw materials and energy; and it has shown the lines on which we must immediately go ahead — in other words making use of clean technology, technology which produces little waste or indeed no waste at all.

But in the meantime a great many things have to be tackled. We must put a stop to the shady operations linked with easy profits, the after-effects of which are felt by the environment and by its inhabitants; we must put a stop to irresponsibility, approximation, disregard for the law, as happened in the case of Seveso. The flight of 41 drums of dioxin from Seveso occurred during a brief hiatus in the law: the decree of the President of the Italian Republic in regard to compliance with the Community directive on dangerous waste was issued on 10 September 1982, but it could only take effect after its publication in the Official Gazette of the Italian Republic. The drums

took advantage therefore of this time gap to depart secretly, and when the decree was published on 15 December 1982 — when, therefore, the law became operative — there was no further trace of the drums.

This story made a mockery of the Community directives and Italian law, and we cannot call it a mere coincidence. Fortunately, political absolutism will not make this resounding case be forgotten, indicating as it does a line of behaviour on the part of authorities who, according to the definition contained in the Community directives, should have been competent and responsible.

The conclusions of this report are such as to indicate solutions both for today and for the future. The crux is the conversion of industry and the shape of the industry of the future, which must practise economy in raw materials, the intensive exploitation of resources, and hence the minimal or zero production of waste. The key to the future lies in new production processes, new methods of production, and an economy that will take account of environmental aspects. It is important therefore for us to have a European policy for waste that is very closely linked to the new needs of production, which must not be contrary to the needs of the environment and health. It is, in short, time to think above all of a preventive policy, which amongst other things offers the prospect of many jobs, to put right, but above all prevent, damage to the environment.

With this report, which I support — and I thank everyone who deserves to be thanked on this occasion — we have made a qualitative step forward where environmental problems are concerned — the erstwhile defensive policy has become one of attack. The environment, in short, is being considered as an element of economic development — not a brake on, and an obstacle to, the economy, but a very important aspect of economic policy. There are of course other things which we should like to have seen in this report, but we consider the report an important step in the right direction because, amongst other things, it has accepted very many of the requests made in the past by my group, especially the philosophy of the relationship between industry and production, the importance, the value and the convenience of which have finally been recognized.

Mr Eisma (NI). — *(NL)* Mr President, I too should like to thank Mrs Pruvot for her excellent report, Mr Alber and all my colleagues on the committee of inquiry and not least the secretariat for the magnificent support it has provided. Parliament has shown its teeth in this report. I repeat what we said in this Parliament in March on the basis of my report on the dumping of waste at sea. We said that the production processes in the industrial society in which we now live and which we can no longer abandon must be as clean as possible and thus produce as little waste as

Eisma

possible. Where waste occurs, it must be recycled and reused. Mrs Pruvot has commendable proposals to make on this subject.

The production process must therefore produce as little waste as possible. What waste remains must never be dumped at sea. It must always be stored on land, since it can then be checked, which is not possible elsewhere. We still have a very long way to go before the situation is as I have described it, since about 80 % of all waste is not reused at present. The result is the dissipation of economic resources, environmental pollution and a public health hazard.

What is above all needed is political strength and power if changes are to be made. Our committee of inquiry and Parliament must criticize the Commission and the Council. These criticisms must focus on the application of Directive No 78/319, which the Council adopted in 1978. Six years later the Member States are still not enforcing this directive or not enforcing it properly. The Commission has not taken on enough staff, and it has not exercised control well enough to hold the Member States liable.

The committee of inquiry has considered the application of the most serious instrument Parliament can use against the Commission. This is an indication that Parliament takes the Commission's reprehensible attitude very seriously. All the Member States are similarly in default, one more so than another, none of them entirely free of blame. Even the Netherlands has gaps in its legislation on the application of this directive. But I am also concerned about the period when the Member States ensure optimal application: national legislation will then have to be observed, and in the committee of inquiry we have heard from all sides that it is in this respect that major deficiencies exist in the administration, in the controlling bodies.

This 1978 directive will not act as an example for the whole of this area. It is deplorable that Community legislation should not be adequately enforced. I am willing to bet that this is not the only area of legislation that is not being enforced. We ought really to set up a general standing committee of inquiry in Parliament to check on more directives. What we have discovered about the application of this 1978 directive on waste may also apply to the application of legislation in areas other than the environment.

A systematic follow-up of all our legislation in this Parliament is essential. The new Parliament will have to do this. It is of the utmost importance for the new Parliament, after its constitution, to exercise its control very effectively, as we have done with this one directive.

Mr Bombard (S). — *(FR)* Mr President, honourable Members, the document we drafted together is a document on public health and safety. We must never have another accident as appalling as the one at Seveso.

Toxic waste could not go on being driven about Europe, crossing frontiers without the customs officers knowing what it was or being stored after changing hands from one firm to another many times and disappearing without trace. That is why the Council strove to avoid this kind of thing happening again and I have to say that I thank Mrs Pruvot for her report, which is a perfect reflection of the atmosphere of the debates we have had, the atmosphere of the discussions and the quite extraordinary consensus which emerged.

I have to say that we were faced with the fundamental issue of the defence of mankind. When the question is one of defending public health, we must, I think, act with the clarity of mind, the desire to succeed and the unbiased approach of the committee of inquiry. It went to Seveso, as you know, and found that there is waste no one knows what to do with, waste that is horribly dangerous to health that no one knows how to destroy and that has to be manufactured, packaged and transported in a completely transparent manner from start to finish — whether the finish is destruction by a technique to be provided or storage whereby the waste is kept somewhere away from the general water system so as to avoid its being recirculated and generating toxicity.

I think that Mrs Pruvot's report, which we have all approved, is very clear on this point. Europe must be saved from these unauthorized procedures which are a threat to the safety and health of the public. If Parliament adopts the resolution and if the resolution later becomes a directive, I think that we will have made a serious contribution to the well-being of this Europe of ours and to the health and happiness of mankind.

(Applause)

Mrs Schleicher (PPE). — *(DE)* Mr President, ladies and gentlemen, I should like to join Mr Alber, the chairman of our committee of inquiry, in thanking all those who worked in this committee. I regret that Mrs Weber, who made such a significant contribution, is not able to be here today. I would now like to say a few words on our motion for a resolution and on our censure of the Commission, which I feel are important.

During the hearing it became obvious that the Commission had simply formally registered notification of the national implementing laws without submitting them to detailed checks by qualified lawyers. Is the Commission aware that they have been guilty of serious omissions and failed to fulfil their duty in relation to the scandal of the missing Seveso dioxin barrels, by not doing enough to ensure prompt implementation of the directive and the introduction of a way-bill system as a method of control? As a result it is directly responsible for the lack of the controls provided for in the directive.

Schleicher

The lack of staff has been used to excuse a great deal. But when I look at other areas and their staff, for example waterways with 15 posts, air pollution with 20 posts, there are serious grounds for concern. If there are only 2 1/2 posts for waste, this is not good enough. Does the Commission agree that this imbalance has less to do with the lack of staff — which no one would deny — than with poor organization and staff planning? Does the Commission also agree that this imbalance needs to be urgently corrected by reorganizing the whole directorate general responsible for the environment? This reorganization must be preceded by comprehensive planning to establish priorities, staff requirements and any necessary reorganization of the various areas of Community environmental policy. We must assume that the problems relating to waste will increase dramatically, particularly in view of all the directives now going through Parliament which will later generate work.

In reply to a written question, the Commission recently stated that the report required by Article 16 of the directive would be submitted to the Council and the European Parliament before the end of this year. When can we expect to have this report, which was due in 1981? Why has the Commission still not instituted proceedings against the Member States for violation of the treaties? Is the Commission aware that it is thereby failing to fulfil its obligations to the Council and the European Parliament?

Nor is the Council entirely free of blame. In particular, I find its reaction to the Seveso case totally incomprehensible. Each national government acted independently on its own account and I do not believe that the Council was prepared to accept overall responsibility and to take concrete action in this specific case.

The committee of inquiry demonstrated beyond doubt that these problems affect all our institutions. I would be grateful if the public were to be informed of the contents of the report, so that the problems we have to cope with in the European Parliament are appreciated. We cannot continue to assume responsibility for our 270 million people and call on the Council and Commission to do so.

Mr Kirk (ED). — (DA) Mr President, may I first thank you for your very capable direction of this sitting. I think you have ably succeeded in ensuring that none of the speakers overran their time. But I should like to point out that Parliament really comes into its own in this affair. After all — when the press uncovered the Seveso scandal — Parliament proved that, even if it is forgotten in the eyes of the public, we did not shirk our responsibility in trying to bring to light what had happened in the Seveso scandal. I think the report we received from the committee of investigation clearly shows that there are serious deficiencies in the way the Commission has discharged its responsibilities and in the case the Council of Minis-

ters must try to answer. I do not think they have taken up the challenge and really tried to safeguard the environment. I would therefore stress that we conservatives will not accept failure to solve the problems of the environment, and we shall therefore continue to pursue the Commission and the Council of Ministers until we are satisfied that the environment we have to live in is as safe as conceivably possible. We cannot allow 2 500 million tonnes of waste to lie and float around us. It is important that we politicians and our institutions in general live up to the responsibility we have to our populations.

Mr Wurtz (COM). — (FR) Mr President, the French members of the Communist and Allies Group agree with most of the conclusions of the committee of inquiry. The establishment of a recycling industry in all the regions of the Community, we feel, is a particularly sound suggestion when it comes to combating the wastage for which the multinational chemicals firms, which are only interested in short-term profits, are, as we know, responsible. The fact that this recycling, thanks to the use of new technologies, will also enable one or two million jobs to be created in the Community, confirms our thoughts on the matter. Modernization and new technology do not automatically mean industrial casualties and unemployment. On the contrary, they mean the development of productive potential and the creation of new jobs.

Now that I have made this first remark, Mr President, allow me to add that the striking thing in the committee of inquiry's report is the inability to present specific data and figures on toxic waste — not that we think this is the responsibility of the committee of inquiry, which does seem to have done its work properly. We think that this inability has to do with the very genuine difficulty of breaking the rule of silence, the only rule that is really respected in what has to be called big chemical business circles.

Remember how Hoffmann-Laroche behaved in the Seveso affair and how it failed to say anything for weeks, in defiance of the concern of public opinion! In conditions such as this, how is it possible to get people to respect 'the polluter pays' principle when half the dangerous waste escapes the control of the authorities?

The Commission, which is so prompt to give masses of figures to justify reorganization and redundancy and to pressurize the Member States into applying its directives on industrial closure, is incapable of presenting precise data and acting with the requisite efficiency when there is a question of attacking the privileges of big business and, in particular, that of keeping decisions and management secret.

Once more it appears that nothing can be settled really effectively unless transparent management is ensured — which means taking democracy in the firm into account.

Wurtz

So you see, Mr President, environmental issues, like the other issues, call for the basic political solutions we are constantly advocating.

Mrs Van Hemeldonck (S). — *(NL)* Mr President, I too should like to congratulate Mrs Pruvot. Without her exceptional patience, talent and commitment it would certainly not have been possible to achieve complete agreement in this strange Committee of Inquiry on the Treatment of Toxic and Dangerous Substances by the European Community and its Member States.

As the only Belgian member of this special committee of inquiry I have many reasons for feeling concerned about this subject. Not only have there been spectacular accidents at Hoei and Martelange in Belgium: there is also the daily risk of more accidents of this kind occurring. Our area is in fact the most densely populated in Europe and has the densest network of roads, alongside which there are numerous industries that cause pollution. It also has two ports, Antwerp and Zeebrugge, through which a considerable proportion of the 3m tonnes of toxic waste pass. Furthermore, I am unfortunately a citizen of a Member State which has already been condemned and reprimanded by the European authorities 20 times for not observing the environmental directives.

I also drew up the report on the transfrontier transport of dangerous waste which was adopted in April 1983 after an urgent debate. The vote revealed that a majority of the Members of Parliament, under pressure from the industrial lobby, of course, felt the proposal for a regulation should be confined to waste. The findings of the committee of inquiry show that there is in fact no objective difference between waste and dangerous substances, either for the victim or for the environment in which these products are dumped or stored.

The execution of the judgment of the Italian court in the Seveso affair demonstrated that the principle of the producer's global and complete responsibility must stand. This caused considerable dismay in the European insurance industry, which also explains why the Council of Environment Ministers is in a quandary. It is not normal for the European Parliament, under pressure from the public, to demand a binding Community legal instrument by the urgency procedure in April 1983 and for several meetings of the Environment Council then to pass without anything being done. The fact that the Environment Council decided at its meeting of 1 March to publish a Green Paper on liability and the insurance aspects is a clear indication that a lobby is again at work, this time the lobby representing the insurance companies.

Mr President, we Socialists are not unrealistic romantics. We realize, of course, that we are living in an economic community and in a highly industrialized society, but we want to administer and plan this

society. We therefore call for a global European industrial policy in which the economic advantages are carefully weighed up against the implications for the environment, which may necessitate restrictions of production. We call for a strict European ruling on the admissibility of processing and production methods. We want to see specialized European waste exchanges and processing industries set up, which may lead to the creation of 2 million jobs, and the Regional Fund can also be involved. We call for a register of dumps and for the establishment of a European data bank to cover dangerous and toxic products along the lines of what is already being done on private initiative at Geel in Belgium.

Mrs Cassanmagnago Cerretti (PPE). — *(IT)* Mr President, ladies and gentlemen, I should like first of all to thank the rapporteur, Mrs Pruvot, and the chairman of the committee of inquiry, Mr Alber, for the very valuable work they have carried out in such detail, and on such a valid scientific basis.

The results of the work of the committee of inquiry, as they appear in the report, show how vast and complex is the problem of the handling of toxic substances.

The survey carried out on the application of Directive 78/319 in regard to toxic and harmful waste shows the need for a better definition on a scientific basis of the concept of 'waste' and for the implementation of a genuine Community policy for the management of toxic waste which will take into account not only the environmental aspect but also the economic aspects of the question.

Not enough has been done in this field, especially if we consider that careful appraisal has shown that the management of waste is one of the sectors which in the near future will provide considerable stimulus to demand for industrial products. Moreover, in the years to come, the treatment of waste will be bound up with the creation of several million jobs — not a negligible figure.

Waste and toxic substances are still all too often treated in a way that is not only economically unproductive — only a very small part of these substances is recycled — but is also harmful to health and environmental conditions.

It is therefore obvious that no policy for the management of toxic substances can be limited only to the subsequent stage of eliminating the harm done and preventing irregularities, but must put into operation incentives and structures at Community level so that toxic waste is treated on a salvage basis. Thus we realize that the principle of 'the polluter pays' cannot on its own be sufficient to deal with the problem of harm caused by toxic substances. This principle in fact cannot be interpreted as an authorization to do damage and then pay for it; it should be completed with legislation governing the responsibilities of the

Cassanmagnago Cerretti

producer and widening his obligations with regard to the recycling, elimination and storage of such substances. That would be far more desirable from an economic point of view.

With regard to the transportation of toxic substances that cannot be recycled, we take the view that that is to be avoided as far as possible; but that, whenever necessary, it must take place subject to the most stringent precautions. For this reason it is to be hoped that the directive on the 'transportation of toxic substances' on which this Parliament has already pronounced itself will be very soon adopted.

Deficiencies in the application of Directive 78/319, or delays in the incorporation of that directive into national law, raise other questions of a legal and political nature on the control that is exercised over the application of directives.

It is useless, in fact, to adopt directives for the protection of the welfare of our citizens if we are not able to exercise efficient control over their application, which is made even more complicated by the fact that the subject in question sometimes falls within the scope of regional competences.

The system of control over the application of directives, in this sector in particular, must be made much more transparent. The European Parliament wishes to be able to exercise political control over directives, and must be in a position to do so: amongst other things we consider it of the greatest urgency that Parliament should be given access as soon as possible to the computerized management system for the application of directives (Asmode system) that is operated by the General Secretariat of the Commission of the European Community.

But the European Parliament wishes to play a fuller part in regard to legislation and the decision-making processes concerning the environment: it is essential for the Council of Ministers to act in greater conformity with the opinions expressed on this subject by the only European institution that has been democratically empowered to represent the citizen's interests directly.

The constitution and the work of this committee of inquiry, which has brought into sharp focus the main problems regarding toxic waste, are already themselves symbolic and indicative of the role that the European Parliament intends to play in protecting, at Community level, the living conditions and the quality of life of European citizens.

I should like, finally, to thank the Lombardy Regional Authorities and the French and Italian governments for their extreme helpfulness on the occasion of our visit.

Mr Collins (S). — Mr President, most of the people in Parliament who have been taking part in this debate will know that I was not exactly in favour of setting up an *ad hoc* committee in the first place. I

certainly agreed on the seriousness of the problem and I certainly agreed that action should be taken, but I was not at all happy about the method. None the less, I do not think that this is the time to go over these particular arguments. I would like to congratulate Mr Alber and Mrs Pruvot on the work that has been done.

I would like too to say a word in praise of Mrs Weber in particular. She is not here because of particularly tragic circumstances. Without Mrs Weber's work this committee would have achieved much less. I would also like to pay tribute to Mrs Van Hemeldonck, whose report of last year was a particularly valuable base from which this committee could begin its work.

However, the problem really is implementation in Member States of existing directives. That is the problem. It is not good enough to produce directives and proposals for directives. If these are not then implemented, we merely give the impression that we are being active when, in fact, nothing is being done. That is a recipe not for making conditions better but a recipe for making them a great deal worse. This is why I do not think that the Commission can be absolved from all blame in this particular matter. None the less, we do reserve much of our criticism not for the Commission but for those Member States that say a great deal and do nothing, that weep crocodile tears, that make promises and deliver absolutely nothing.

The Socialist Group therefore wants to see a much clearer definition of what we mean by waste. The obligation to dispose of it can be sidestepped at the moment, because it is easy to draw a smokescreen over what is really happening. So we need a clearer definition of what we mean by toxic waste. Secondly, we want to see a clearer commitment to recycling strategies and we would like to emphasize, as has been emphasized by one or two speakers this afternoon, that a proper recycling strategy, a proper strategy for dealing with waste, could actually create jobs. The figure of 1-2 million jobs has been mentioned. I do not dissent from that. At a time when there are 13 or 14 million people unemployed in the Community, it seems to me that we should be using our resources much more wisely.

Thirdly, we demand that there should be clear lines of responsibility and clear lines of liability. We want to make it absolutely clear that if toxic waste is being transported, then we have to know precisely who is responsible for it and who is liable if something goes wrong. I must say that I do not share the opinion of one of the previous speakers who said that he was very happy that local authorities had been able to come along to the committee and make representations. My information is that in my country, for example, the Department of the Environment did not let local authorities know what was happening. Thus they were able to make only inadequate responses, and I deeply regret that.

Collins

I also think that the Commission needs to be firmer in its enforcement work. Obviously we have a role to play in that, because that will mean that the Commission will need more staff. I do think there is much to be said for Mr Alber's statement earlier on that we might have to look at the possibility of a control committee on the implementation of directives.

Finally, I would like to see a resounding majority for this — a very big majority. Indeed I would love to see unanimity. However, its real success will be measured in terms of an agreement in the Council. Its real success will be measured in terms of public consciousness of the problem. If this success is achieved, then Mrs Pruvot and Mr Alber and their committee will have done a piece of first-class work for the European Parliament.

Mr Narjes, Member of the Commission. — (DE) Mr President, the European Parliament's first committee of inquiry has completed its task and presented a comprehensive and useful report on an environmental topic, namely toxic and dangerous wastes. The Commission would now like to restate its position on this subject and to reply to the two questions put by Mr Alber.

It is my pleasant duty to thank the rapporteur for fulfilling her more than difficult task, which she coped with admirably alongside her normal parliamentary duties; I would also like to thank the chairman, Mr Alber, for achieving a consensus in this report. This consensus means that it will carry much more weight in the Council of Ministers. I would also like to thank all those who contributed to the debate, all those who suggested further initiatives and even those who expressed criticism. This report has set the standard for future committees of inquiry. The conclusions will be of great assistance to us, particularly in discussions with the Council of Ministers.

In general, the Commission shares the consensus of opinion on environmental matters in the report. In particular, I would like to say to Mrs Pruvot that we agree with her views on the partnership between ecology and economy. We try to ensure that environmental matters are part of the criteria for initial overall economic planning, so that individual decisions can be based on reliable data.

We also agree with Mr Alber and the subsequent speakers that we must consider the whole question of waste management and that waste must be regarded primarily as raw materials in the wrong place. The large quantities of agricultural waste must be considered separately and this yields different estimates of the degree of success in efficient waste management.

With regard to the report's conclusions, we accept that a general definition of the concept of toxic and dangerous waste is necessary, as is further research into the creation, characteristics and economic impor-

tance of this waste. We also consider that, apart from the producers of this waste, the Community bears a certain responsibility. In addition to the problems and borderline cases which appear in the report, I should like to add that one Member State disputes that waste is a product within the terms of the EC Treaty. This is a fundamental question, since if this argument is accepted, it would mean that the EC Treaty could not be applied to waste.

As far as the questions of liability and insurance are concerned, I would like to repeat what I have already said in the House and to the committee. We are mainly concerned, where liability and insurance matters are involved, to establish the principle of producer liability and to incorporate this in legislation. Only if the regulations on liability and insurance are such that the producer and creator of the waste bears all the costs, can we internalize these costs. This is the only way to ensure that producers' decisions also take account of the question of waste management. And it is the only way in which we can influence production processes.

In reply to Mrs Van Hemeldonck: the Commission initiated the Green Paper on insurance in order to eliminate the misunderstandings that exist on this subject and to assist the Council and those outside the Council who wish to exert influence in this field to take decisions.

Approximately 30 million tonnes of toxic and dangerous waste are produced annually. One particular problem is the fact that special disposal plant and dumps are unequally distributed throughout the Community, so that only part of this waste can be disposed of properly, particularly if there is no guarantee of transfrontier, cooperative waste management. Let me give two examples: at the moment, the Community has approximately 50 incinerators suitable for dangerous waste, but there are only four to six incinerators in the Community suitable for the incineration of the dioxin-contaminated Seveso waste and not every Member State has one of these. Italy has built incinerators for dangerous waste during the last few years, which are among the most modern in the Community, but they are not equipped to cope with the incineration of the Seveso waste. Nor does Italy possess a dump suitable for the safe long-term storage of dioxin-contaminated waste. Our information is that there are very few special dumps in the Community that could guarantee safe, long-term storage of this sort of waste. We are dealing with the concrete problem of industrial cooperation in the field of waste management and also the question of European solidarity.

Present developments would indicate that, in recent years, toxic and dangerous waste has increased at an above average rate both in quantity and in terms of its complexity. This is also a direct consequence of our

Narjes

increased awareness of the environment and the measures that prevent uncontrolled disposal, removal or storage. Increased knowledge of physical and chemical properties and the identification of the specific nature of these wastes and the danger they represent to the environment have also added to the problems. A great many advances have been made that have led to further discoveries.

But it is not enough to describe the problems, we must consider what action to take.

The Commission intends to proceed as follows: firstly, the Council must adopt, as quickly as possible, the proposed regulation that has already been discussed on transfrontier transport. In the light of this report we will again urge the Council to take a decision and to improve the quality of its decision. As I have already indicated, we will also emphasize once again the question of insurance and liability. Secondly, we intend to submit a comprehensive memorandum before the end of the year, as promised in an earlier debate on Mrs Squarcialupi's report.

Thirdly, the Treaty of Rome charges the Commission with the task of monitoring the implementation of directives. The report quite clearly asserts that in the case of Directive 78/319 this task was not carried out with sufficient thoroughness. There are approximately 70 Community laws relating to the environment, of which 40 are directives. Normally the Member States have up to two years to incorporate them into national law. Only then can it be established whether national measures have complied with the spirit and the letter of the directive. I would therefore like to correct Mrs Schleicher on one point. It is incorrect that the Commission simply checks formal compliance of national laws with the Community's directives. There are legal experts in the Member States who act for the Commission and who check the national legislation of each country for its environmental impact and the reports of these national experts are scrutinized centrally by the Commission. It is more than a formal check. It is a substantive check. But we have no officials who are able to check what really goes on *in situ*. Neither the treaties nor the staff available allow us to do this.

Achievement of the aims of the treaty, which is what the whole Community system is designed to promote, and I can well imagine that a specialist committee to monitor implementation might be helpful, can ultimately only come about if the Member States take more seriously than hitherto their explicit commitment under Article 5 to fulfil their treaty obligations and if they take a more constructive, less cumbersome and unwieldy approach than in the past to performing their task of monitoring implementation of Community law, for example by their regional authorities.

In conclusion, I would again like to raise the problem of the lack of staff. I am grateful that the committee's report refers to this matter and that several speakers

have mentioned it. The situation is even more serious. An A, a B and half a C official deal with waste management. Given our staff position this means that if one of these officials catches a cold or has a car accident, policy-making grinds to a halt. If the secretary is promoted and moves to a different department then, because of our internal staffing arrangements, this can mean that a department has no secretary for five or six months.

Now we are accused of not having given enough priority to environmental policy. We have the same problem as the European Parliament. All those members who are concerned about environmental policy try to persuade the budgetary authorities to provide more staff to deal with environmental matters and to ensure that the Community is in a position to act. You cannot convince your budgetary authorities and the Commission, given its lack of staff, cannot treat all the problem areas equally. The Council of Ministers, the Council of Ministers of the Environment have the same difficulty in convincing the Council of Budget Ministers. To add to our difficulties, environmental policy is a late starter in Community policy. It has only existed for 12 years and in its early days was a victim of an incorrect organizational decision which has affected all Community legislative activities. In my opinion, the Spierenburg Commission produced a totally false concept of the Community's legislative tasks and is largely responsible for the fact that all these areas are inadequately staffed so that we are unable to achieve, either in terms of quality or speed of development, or initiative what we should to fulfill Community goals. This is a point that must not be forgotten, otherwise we get a distorted view of the situation. Due to the advanced hour I will close on this point and perhaps I can elaborate further in committee.

(Applause)

IN THE CHAIR: MR DANKERT

President

President. — I have received from Mrs Pruvot and 10 other signatories a motion for a resolution with a request for an early vote, pursuant to Rule 42(5) winding up the debate on the oral question on the treatment of waste in the European Community (Doc. 1-163/84/rev.).

Mr Sieglerschmidt (S). — *(DE)* Mr President, before you take the vote I would like to ask, as a precaution, whether this item on the agenda is closed with the vote you are proposing to take on whether the motion for a resolution can be tabled. We are still waiting for the Council's reply and the proposer must also have an opportunity to put supplementary questions on points arising from the replies from the Council and the Commission. For example, Mr Narjes, I have a specific question to ask on staffing.

President. — Mr Sieglerschmidt, we must first vote on the request for an early vote.

(Parliament agreed to the request for an early vote)

Mr Sieglerschmidt (S). — *(DE)* If I am correct, Rule 42 of the Rules of Procedure stipulates that a certain time should elapse between the vote we have just taken and the final vote. This will not be the case if you take the final vote this evening. My group, for example, has tabled an amendment to the motion for a resolution, which we now cannot vote on this evening.

President. — We can vote, Mr Sieglerschmidt, as soon as we have the amendments.

Mr Sieglerschmidt (S). — *(DE)* May I inquire when we can expect the Council's reply?

President. — Mr Sieglerschmidt, Parliament accepted that this debate could be held in the absence of the Council. As I see it, this means that we can conclude the debate without observations from the Council. However, this does not mean that we cannot come back to questions that are still open.

Mr Sieglerschmidt (S). — *(DE)* And our supplementary questions to Commissioner Narjes?

President. — It is not possible now.

Mr Sieglerschmidt (S). — *(DE)* But it must be possible, Mr Narjes has just finished speaking.

President. — Mr Narjes said he would answer supplementary questions in committee.

Mr Sieglerschmidt (S). — *(DE)* This is no way to handle matters! It must be possible to put supplementary questions in the House if the Commissioner has made statements which are in urgent need of correction.

President. — Mr Sieglerschmidt, if you had supplementaries, you should have put them immediately after the Commissioner's remarks.

Mr Sieglerschmidt (S). — *(DE)* But you cannot deny that I did ask to speak!

Mr Gautier (S). — *(DE)* Mr President, Mr Sieglerschmidt would like to put a number of supplementary questions, and I too would like to comment on Mr Narjes' speech. Either you permit us to speak now, two minutes after Mr Narjes has finished speaking, or you give us time in the morning. Then we could vote tomorrow either after a 10 minute debate or question time with Mr Narjes, when these points can be clarified.

President. — We shall now vote on the request for an early vote. Before we take the voting any further, we can resume the debate.

Mr Gautier (S). — *(DE)* Mr President, we have just decided that. We have voted on whether we want a decision without delay. It is only a question of procedure whether we include this amendment and vote without delay. But this does not mean that we are not permitted to ask supplementary questions.

President. — The time for that is when the motion for a resolution is about to be voted upon. But that is no longer possible today.

Mr Sieglerschmidt (S). — *(DE)* Will the Commissioner be present, Mr President?

President. — The Commission will be present. The motion for a resolution by Mrs Pruvot will thus be put to the vote tomorrow at voting time.

I should like to extend a hearty welcome to the Federal Minister for Post and Telecommunications, Mr Schwarz Schilling, who has just handed to me the German stamp for direct elections to the European Parliament.

(Applause)

Votes¹

ROGALLA REPORT (DOC. 1-1545/83 'TAX RELIEFS ON IMPORTS OF SMALL CONSIGNMENTS')

Mr Rogalla (S), rapporteur. — *(DE)* Mr President, I appreciate that this is a vote without debate, but I have seen a newspaper report that the Council has taken some sort of decision on small consignments and tax-free limits. In order to clarify this I would like to ask the Member of the Commission whether this has anything to do with this report or whether the Council's vote has a different legal basis.

President. — Mr Rogalla, this is a report without debate and there are other ways in which you can obtain an answer to your question.

(Applause)

After the adoption of the proposal for a directive.

Mr Rogalla (S), rapporteur. — *(DE)* Mr President, I would like to ask the Commission whether they accept the amendment we have just adopted.

¹ See Annex I.

Mr Narjes, Member of the Commission. — (DE) As I stated in the debate this morning, given that rates of levy and value-added tax are not yet harmonized, we have to consider the maximum tax-free limits that can be imposed on the Member States. The Commission held a limit of 130 ECU to be feasible. In the light of this amendment we will reconsider our position and whether we can go beyond this.

GHERGO REPORT (DOC. 1-114/84 'TITANIUM DIOXIDE')

*Proposal for a directive: Article 2, paragraph 1
Amendments Nos 1, 10 and 12*

Mr Ghergo (PPE), rapporteur. — (IT) Mr President, I am in favour of Amendment No 1 and am in favour, in the main, of all the amendments made by the Committee on the Environment; I oppose all the other amendments.

Mrs Schleicher (PPE). — (DE) Half a sentence has been lost in this version of the amendment. I wish this to be corrected. The rapporteur has been informed.

Mr Ghergo (PPE), rapporteur. — (IT) Mr President, from Amendment No 1, at the fourth indent, after 'in the case of the chloride process', two lines are missing, namely 'strong acid wastes containing more than 0.5% free hydrochloric acid and various metallic salts'. That is the text of the amendment that the Committee on the Environment adopted.

In the Working Document PE 88.190/fin. these two lines have been left out. You have only to compare the text of the complete amendment, as proposed and approved, to notice the omission from the above document.

President. — That is quite clear; I think it should work out all right.

Proposal for a directive: after the adoption of Amendment No 10

Mr Gautier (S). — (DE) For the sake of accuracy in the amendment that has just been adopted we should replace the Cl in the German text by CL. The substances involved are chloride ions chemically expressed as CL.

(Applause)

President. — That seems to be right, Mr Arndt is clapping. So we will do that then.

Proposal for a directive: Article 3 — Amendments Nos 11, 2, 13, 3, 18 and 4

Mr von der Vring (S). — (DE) Mr President, I am sure that you are fully aware of what is under discus-

sion but I would ask you to bear with me while I draw the attention of the House to a problem. The final indent of Amendment No 11 may conflict with the definition of weak acid wastes in Article 2(1) which we have just adopted.

Given the tremendous technical difficulties created by the regulation which can only be fully appreciated by highly specialized chemists, I wish to make a statement on interpretation which has been accepted by Mrs Schleicher, who tabled the amendment. I would ask the President to minute this statement of interpretation and bring it to the attention of the Council and Commission:

'In the event of any technical contradictions the definition of weak acid wastes in Article 2(1) expresses Parliament's intention. The final indent of Article 3 does not relate to weak acid wastes.'

President. — Are you withdrawing your amendment, Mr Gautier?

Mr Gautier (S). — (DE) Mr President, I think we can simplify the procedure if we vote on Mrs Schleicher's amendment by first voting on the first three indents as they stand and on the final indent without the section which reads 'to the reference value of 600 kg of total sulphates per tonne of titanium dioxide produced'. This definition almost certainly conflicts with the definition we have just adopted as Amendment No 1, i.e. with what we refer to as weak acid wastes. I believe it would be in accordance with Mrs Schleicher's intention if we simply delete this passage. Mr von der Vring's interpretation would then correspond to the subsequent votes.

Proposal for a directive: Article 4 — after the adoption of Amendment No 7

Mr Gautier (S). — (DE) Unfortunately this is a technicality. Amendment No 7 which has now been adopted is not entirely compatible with Amendment No 11 which has also been adopted. We have decided in Article 3 on a complete ban on sulphate processes affecting surface waters by 31 December 1989. The same should of course apply to chloride processes on which we have taken a different decision. The experts should be asked to coordinate these two aspects.

President. — I was under the impression that Mr Ghergo was the rapporteur, but we shall nevertheless take account of your remarks.

(Laughter)

After the adoption of the proposal for a directive

Mr Ghergo (PPE) rapporteur. — (IT) Mr President, I should like to ask the Commission whether it considers amendments Nos 3 and 4 acceptable, or whether it has some proposal to suggest in order to make possible a gentlemen's agreement.

Mr Narjes, Member of the Commission. — (DE) Mr President if I interpret the vote correctly, Articles 3 and 4 have been superseded by Amendment No 11. I shall recommend to the Commission that it adopt Amendment No 11.

(Applause)

BOSERUP REPORT (DOC. 1-111/84 'BUDGET')

Paragraph 7 — Amendment No 2

Mrs Boserup (COM), rapporteur. — (DA) Mr President, this and the following amendments were not discussed in the Committee, and I cannot therefore express the Committee's opinion. It seems to me however that they are out of step with the rest of the motion for a resolution, but that is perhaps of no importance.

IRMER REPORT (DOC. 1-118/84 'EDF DISCHARGE — 1982 FINANCIAL YEAR')

Mr Irmer (S), rapporteur. — (DE) Mr President, when we debated this report this morning, I had assumed that we would have the Council's recommendation to grant a final discharge. This was not so this morning. In the meantime, however, I am able to inform you and the House that the Council has taken this decision this afternoon. I think we can be satisfied at this further example of the speed at which the Council works. It means we now can vote this evening.

SABY REPORT (DOC. 1-110/84 'DISCHARGE TO PARLIAMENT'S ACCOUNTING OFFICER FOR THE 1981 FINANCIAL YEAR')

Mr Edward Kellett-Bowman (ED). — I am again asking you for a ruling on the matter of whether this infringes Article 206b of the Treaty by trying to divide the discharge decision.

President. — Having asked my advisers, I do not think that there is a legal problem.

Proposal for a decision — After recital i — Amendment No 2

Mr Saby (S), rapporteur. — (FR) Mr President, this amendment is not admissible for two reasons. First, the analysis has already appeared in the recital. Second, it is not possible to grant a partial discharge. Discharge is granted or it is not granted.

So Amendment No 2 is not admissible.

President. — Mr Saby, I ought to point out that the admissibility of the amendment is not in question. You may be for or against, that is another matter. But there are no problems over admissibility.

Mr Sutra (S). — (FR) Mr President, just now you told us that an outright majority of MPs, i.e. 218 votes cast, was required to refuse a discharge.

Since this amendment is tantamount to partial rejection, it is perfectly obvious that it comes into the same framework and that 218 votes are required to approve it. It is as well to point this out to Parliament before the vote and not after.

President. — Mr Sutra, I think there is some confusion here. When I spoke about an absolute majority of Members, I was referring to the overall discharge covered by the Treaty. Here we are dealing with something quite different.

After the vote on the Boserup report (Doc. 1-40/84)

President. — Ladies and gentlemen, in view of the lateness of the hour we shall now adjourn. The motion for a resolution (Doc. 1-163/84/rev.) will be put to the vote as the first item at the next voting time.¹

(The sitting closed at 7 p.m.)

¹ Agenda for next sitting: See Minutes.

*ANNEX I**VOTES*

In this Annex the Verbatim Report sets out the rapporteur's opinion on the various amendments together with explanations of vote. For details of voting please refer to the Minutes.

NYBORG REPORT (DOC. 1-85/84 'TRAVEL ALLOWANCES FOR HOLIDAY-MAKERS'): ADOPTED

* * *

ROGALLA REPORT (DOC. 1-1545/83 'TAX RELIEF FOR SMALL CONSIGNMENTS'): ADOPTED

* * *

I. FRIEDRICH REPORT (DOC. 1-44/84 'DEROGATION ACCORDED TO IRELAND'): ADOPTED

* * *

GHERGO REPORT (DOC. 1-114/84 'TITANIUM DIOXIDE'): ADOPTED

The rapporteur was :

- FOR all the amendments of the Committee on the Environment (Nos 1 to 9);
- AGAINST all other amendments (Nos 10 to 18)

Explanations of vote

Mr Bombard (S). — (*FR*) I should like to support Mr Ghergo's text, a quite remarkable report of very great concern to us, particularly when it comes to the Mediterranean. It is high time that we intervened in the titanium dioxide issue to prevent the kind of grave situation that we have on the Mediterranean shores, especially around Corsica, because of waste from Montedison and I think that the Ghergo report constitutes considerable progress along the lines we would like.

As you know, marine life in this sea, the Mediterranean, is very fragile and Montedison's unauthorized dumping — in international waters, of course, but near Italy and the coast of Corsica — is a definite danger to the flora and fauna.

Lastly, thanks to these regulations, once they are applied, we will see an end to the swindling — and I mean swindling — practice of dumping what was claimed to be red sludge as opposed to bauxite waste is relatively harmless. That is really the danger that we are averting.

Mr Sherlock (ED). — I speak on behalf of my group and we wish to make it clear from the outset that we are not obstructing this or any other proposal for environmental improvement. We do, however, insist that scientific and geographical truth must be faced in reaching decisions which if implemented could result in an increase in unemployment in an already badly affected area of Britain. Particularly, we will not support the Ghergo

proposal for its threatened erosion of the environmental quality objective in proposals adopted after the first titanium dioxide proposals certainly, but which are enshrined in the mercury and the cadmium directives.

I must also reject the wildly exaggerated fears of many who have spoken in this debate. Far from finding cancerous fishes, there has been no demonstrable damage in the Humber Estuary. In fact, the local angling club catches fish of excellent quality and undiminished quantity a few yards from one of the outfalls.

Also ignored, of course, is the fact that the Humber Estuary is not comparable with a canal in Flemish flat land. Nor does it discharge into the quiet waters of the Mediterranean. There is a fall of nearly four metres where this river flows swiftly by the two factories concerned. I notice that the British Socialists have not supported Mr Ghergo's proposals. I regret that they have also failed to convince some of their more vocal colleagues.

Sir Peter Vanneck (ED). — I shall be voting against this report firstly because it is pushing the industry too far and too fast and puts very many valuable jobs at risk. Secondly, there is all the difference in the world between effluent going into the North Sea with a tidal range, as Mr Sherlock has said, of some 22 feet and going into the Mediterranean, Mr Bombard's concern, with a tidal range of less than 22 inches, and into canals with no tidal range at all. Thirdly, that Italian pollution of the Mediterranean has only been cured at some expense is no valid reason for saddling all of Europe with a similar handicap *vis-à-vis* the rest of the titanium dioxide producers worldwide.

Really, if some of the well-meaning speakers this morning had their way over North Sea pollution, one would no longer even be able to pee off the end of a pier.

(Laughter)

Mr Ghergo (PPE), rapporteur. — *(IT)* Mr President, I should like to reply very briefly to a few criticisms that have been made. It was said that the implementation of this directive would put a great many jobs at risk, and would lead to the bankruptcy ...

President. — You may only give an explanation of vote, you cannot respond to the explanation of vote of others because that would re-open the debate and that is not the purpose of an explanation of vote.

* * *

BOSERUP REPORT (DOC. 1-111/84 'BUDGET'): ADOPTED

The rapporteur was :

— FOR Amendment No 1.

Explanations of vote

Mr Gouthier (COM). — *(IT)* We shall vote in favour of the text that was adopted by the Committee on Budgetary Control. It may be that we do not support all parts of the resolution, but the decision to defer the grant of discharge seems to us a reasonable, responsible use of Parliament's powers to bring pressure to bear on the Commission to oblige it to devote greater attention and commitment to the delicate problems involved in implementing the budget.

We think that this decision is important, well-founded, and not one taken in haste, where the Commission is concerned, and that the Commission will undoubtedly note with satisfaction this sense of responsibility in the use of Parliament's monitoring powers.

Mr Fich (S). — *(DA)* The Danish social democrats can support the Boserup report. In the first instance we support the criticism which the report makes of the Commission's management of the Community's resources. It is quite clear to us that the Commission

has still not learned what efficient management is and that it still does not appear to be capable of implementing the decisions which are taken in the Community. Although we associate ourselves with the criticism which has been expressed in the report, the Danish social democrats would nevertheless have preferred to see the accounts adopted today. We are in full agreement with the Council of Ministers which, in its recommendation to Parliament, also criticized the Commission but nevertheless recommended adoption of the accounts. We considered rejection of the accounts to be absolutely out of the question, since it would lead to a further crisis in the Community. And if there is something the Community does not need at this time, it is more crises. We have however understood that there is a general wish in the European Parliament to defer the question of whether to grant discharge or not. We can go along with this wish. The Commission will then get time to answer the criticism, and the question of discharge will be passed on to the newly elected Parliament. Both parts have our approval. We therefore support both the criticism and the deferral of the decision to which adoption of the Boserup report will give rise.

Mr Seligman (ED). — I shall abstain on this report because I do not accept the rapporteur's remark that the Committee on Energy, Research and Technology's amendments do not matter. They are extremely important. In this report she accuses the Commission of neglect of duty in spending the appropriations made for energy. In fact, the blame for that lies with the Council, not the Commission, so we are aiming at the wrong target. For that reason therefore I will abstain.

* * *

IRMER REPORT (DOC. 1-118/84 'EDF DISCHARGE — 1982 FINANCIAL YEAR'): ADOPTED

* * *

SABY REPORT (DOC. 1-110/84 'DISCHARGE TO PARLIAMENT'S ACCOUNTING OFFICER FOR THE 1981 FINANCIAL YEAR'): ADOPTED

The rapporteur was :

— AGAINST Amendment No 2.

Explanations of vote

Mrs Scrivener (L). — (FR) I should like to say that the Liberal Group will be voting for the final discharge to be granted to the accounting officer.

I should like to start with a remark by way of a historical reminder. At the time of the vote on the discharge for 1981, Parliament was invited to withdraw the full discharge from the accounting officer. Parliament accepted with good grace and we said nothing. Then the Committee on Budgetary Control invited Mr Saby to produce a report. More than a year later, the rapporteur said there was no reason to defer discharge.

There are two things to make clear. We are dealing with an audit. That is the subject of this debate. And there is a disciplinary procedure which is the job of the administration which we do not have to deal with today.

The rapporteur has done his job. He had, as he said, every possible means of investigation. So we feel that not voting for the discharge would naturally be casting doubt on the rapporteur's conclusions. But, more than that, it would be casting doubt on its good faith. We feel there is no reason to do that. Those, very simply, are the reasons why we are voting for this discharge.

(Applause)

Mr Gouthier (COM). — *(IT)* On behalf of my group I should like to state once again what we have already said in the Committee on Budgetary Control — namely, that we shall vote in favour of Mr Saby's resolution.

We have objectively examined this resolution and the events which preceded it, and we see in Mr Saby's resolution a model of diligence and objectivity.

These are the basic reasons why we feel morally and politically bound to vote in favour.

* * *

GABERT REPORT (DOC. 1-39/84) 'DISCHARGE IN RESPECT OF THE ECSC ACCOUNTS — 1982 FINANCIAL YEAR': ADOPTED

* * *

EDWARD KELLETT-BOWMAN REPORT (DOC. 1-1335/83 'DISCHARGE TO THE EUROPEAN CENTRE FOR VOCATIONAL TRAINING — 1982 BUDGET'): ADOPTED

* * *

EDWARD KELLETT-BOWMAN REPORT (DOC. 1-1336/83 'DISCHARGE TO THE EUROPEAN FOUNDATION — 1982 BUDGET'): ADOPTED

* * *

GABERT REPORT (DOC. 1-1346/83 'FRAUDS AGAINST THE COMMUNITY BUDGET'): ADOPTED

* * *

KEY REPORT (DOC. 1-77/84 'CLEARANCE OF THE EAGGF ACCOUNTS'): ADOPTED

* * *

AIGNER REPORT (DOC. 1-117/84 '1982 DISCHARGE — EUROPEAN PARLIAMENT'): ADOPTED

* * *

BOSERUP REPORT (DOC. 1-40/84 'RATIONALIZATION OF BODIES FINANCED FROM THE EEC BUDGET'): ADOPTED

*Annex II***Commission action on European Parliament opinions on Commission proposals delivered at the February and March I part-sessions**

This is an account, as arranged with the Bureau of Parliament, of the action taken by the Commission in respect of amendments proposed at the February and March I part-sessions in the framework of parliamentary consultation, and of disaster aid granted.

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

Report by Mrs Scrivener on the Commission proposals to the Council (COM(83) 696, 697 and 698 final) for :

- (i) a regulation introducing special measures of Community interest in respect of employment,
- (ii) a regulation laying down specific measures of Community interest in respect of transport infrastructure,
- (iii) a regulation introducing special measures of Community interest in respect of energy strategy

Proposals (i), (ii) and (iii) have been amended by the Commission in line with parliamentary wishes and sent to the Council.

Commission's position at debate : Verbatim report of proceedings, 12 March 1984, pp. 12-13.

Text of proposal adopted by EP : Minutes of 12 March 1984, pp. 21-34.

II. Commission proposals to which Parliament proposed amendments that have been accepted by the Commission in part

Report by Mr Tyrrell on the Commission proposal (COM(82) 861 final) for a regulation on the security to be given to ensure payment of customs debts

The amendment proposal is ready and will be sent to the Council and Parliament for information purposes in April 1984.

Commission's position at debate : Verbatim report of proceedings, 16/17 February 1984, p. 348.

Text of proposal adopted by EP : 17 February 1984, pp. 113-115.

Report by Mr Dalsass on the Commission proposals (COM(83) 155 final) for :

- (i) a regulation amending Regulation (EEC) No 358/79 on sparkling wines produced in the Community, as defined in item 13 of Annex II to Regulation (EEC) No 337/79,
- (ii) a regulation laying down general rules for the description and presentation of sparkling wines and aerated sparkling wines.

In the next few weeks the Commission will be putting proposals before the Council that have been amended along the lines requested by Parliament, except where reservations were expressed by the Commission at the plenary debate.

Commission's position at debate : Verbatim report of proceedings, 16/17 February 1984, p. 329.

Text of proposal adopted by EP : Minutes of 17 February 1984, pp. 78-82.

Report by Mr Bombard on the Commission proposal (COM(82) 527 final) for a directive on the use of sewage sludge in agriculture

The proposal for the directive, amended under the second paragraph of Article 149 of the Treaty, is to be sent to the Council in the next few days. Parliament will be kept informed.

Commission's position at debate : Verbatim report of proceedings, 16/17 February 1984, pp. 319-20.

Text of proposal adopted by EP : Minutes of 17 February 1984, pp. 63-5.

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

Report (without debate) by Mr Provan on the Commission proposal to the Council (COM(82) 626 final) for a directive amending Directive 79/112/EEC on the approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstuffs for sale to the ultimate consumer.

The Commission is not intending to amend its proposal under the second paragraph of Article 149 of the Treaty, being unable, for the following reasons, to accept the amendments proposed by the European Parliament.

- (a) The first amendment is purely a matter of wording and concerns only some of the languages in which the text appears. The Commission has taken note and will make sure that the texts agree when the proposal comes up for adoption by the Council.
- (b) The Commission cannot accept the second amendment proposed by Parliament, to exempt beer from indication of the date of minimum durability, on two grounds.
 - (i) formal ground : Beer is subject to the provisions of Articles 3(1) (6) and 9 of Directive 79/112/EEC. In principle it must therefore bear a date of minimum durability. The purpose of the Commission proposal on which Parliament was consulted does not include amendment of those provisions, which the Member States have been under a legal obligation to apply since the end of 1982.
 - (ii) substantive ground : At the time when Directive 79/112/EEC was adopted, it was unanimously recognized that it was not superfluous for beer, like the vast majority of foodstuffs, to be marked with a date of minimum durability, so that the consumer might be properly informed. Nothing new has happened since then to justify a modification.
- (c) With regard to the third amendment, concerning consultation of the European Parliament in connection with the Committee procedure, the Commission has explained its position a number of times, giving the reasons why it cannot accept this.
- (d) The fourth and last amendment proposed by Parliament would make it compulsory for the list of ingredients to give the specific name of every unmalted cereal used in the manufacture of beer. The Commission cannot accept this as it does not allow for fluctuations in supplies of raw materials, which make the brewer alter the original composition in the course of the year without the ultimate nature of the beer being affected thereby. The amendment proposed by Parliament would oblige the brewer to change his labels frequently, entailing additional expenses which appear unwarranted as the final product remains the same. Furthermore, what is particularly important for the consumer is to be able to distinguish between beer made solely with malt from beer in whose production untreated grains are used.

Commission's position at debate : Verbatim report of proceedings, 16 March 1984, p. 241.

Text of proposal adopted by EP : Minutes of 16 March 1984, pp. 48-49.

Report (without debate) by Miss Hooper on the Commission proposal to the Council (COM(83) 598 final) for a directive amending Directive 75/106/EEC on the approximation of the laws of the Member States relating to the making-up by volume of certain prepackaged liquids.

- (a) The European Parliament adopted an amendment asking for Article 5 (4) of Directive 75/106/EEC not to be deleted, as the Commission had proposed.

Article 5(4), concerning the recycling of packaging, in no way affects the application here of Article 36 of the Treaty, and its deletion will therefore not produce an absence of legal provision in this field. The Commission continues to be of the opinion that the question of the recycling of packaging should properly be dealt with as a whole in the framework of the directive on the packaging of edible liquids which is before the Council now.

- (b) The Commission has therefore not accepted this amendment and it is not intending to amend its proposal under the second paragraph of Article 149 of the Treaty.

Commission's position at debate : Verbatim report of proceedings, 16 March 1984, p. 241.

Text of proposal adopted by EP : Minutes of 16 March 1984, p. 54.

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

1. Report (without debate) by Mr Halligan on the Commission proposal to the Council (COM(83) 734 final) for a directive amending Directive 72/464/EEC on taxes other than turnover taxes on the consumption of manufactured tobacco : 5th extension of 2nd phase of harmonization

In its resolution the Parliament asks the Commission to 'play its full role in enforcing implementation of Community texts and Court of Justice decisions'. This is aimed particularly at certain national provisions, both French (failure to observe free setting of cigarette prices, extra-tax sticker) and Italian (failure to abide by the minimum specific excise duty applicable to cigarettes). The Commission is actively pursuing the infringement procedures (under Article 169 of the Treaty) which it initiated in respect of those provisions.

Text of proposal adopted by EP : Minutes of 16 March 1984, p. 15.

2. Report by Mr Tolman on the Commission proposal (COM(83) 659 final) for a regulation amending Regulation (EEC) No 2759/75 on the common organization of the market in pigmeat

The Commission has withdrawn its proposal since the Council did not endorse its proposed deletion of the provisions in Regulation (EEC) No 2759/75 concerning intervention measures in the form of buying-in by intervention agencies. However, one of the main aims of the proposal, changing the base for the calculation of MCAs, has been achieved by the Council's amendment of Regulation (EEC) No 974/71. In the case of pigmeat, MCAs are now to be calculated not on the intervention price but on the value of the cereals used to produce the pigs.

Commission's position at debate : Verbatim report of proceedings, 16/17 February 1984, pp. 337-338.

Text of proposal adopted by EP : Minutes of 17 February 1984, p. 93.

D. Disaster aid supplied since last part-session

Emergency aid within the Community

Nil

Emergency aid for third countries

Financial aid :

<i>Country</i>	<i>Sum</i>	<i>Reason</i>	<i>Distributed by</i>	<i>Date of decision</i>
Sao Tome	80 000 ECU	drought	LICROSS	9. 3. 1984
Zimbabwe	2 500 000 ECU			3. 3. 1984
	1 000 000 ECU	displaced Mozambicans	UNHCR	
	800 000 ECU	displaced Mozambicans	EEC delegation	
	700 000 ECU	drought	LICROSS	

Food aid :

<i>Country</i>	<i>Quantity</i>	<i>Reason</i>	<i>Distributed by</i>	<i>Date of decision</i>
Ethiopia	1 069 t cereals	people of Eritrea	NGO	March 1984
Gambia	200 000 ECU for purchase of dried fish	drought	SRC	March 1984
<i>Southern Africa :</i>				
Zimbabwe	2 200 t cereals	Mozambican refugees in Zimbabwe	UNHCR	March 1984
	150 000 ECU for purchase of beans	Mozambican refugees in Zimbabwe	UNHCR	March 1984
	2 500 t cereals	drought	Govt.	March 1984
Mozambique	5 000 t cereals	drought	Govt.	March 1984

SITTING OF WEDNESDAY, 11 APRIL 1984

Contents

1. <i>Adoption of the Minutes</i> <i>Mr von der Vring; Mr Papaefstratiou . . .</i>	105	7. <i>Northern Europe — Report (Doc. 1-57/84)</i> <i>by Mr Walter</i> <i>Mr Walter; Mr Fich; Mr von Hassel; Mr</i> <i>Moorhouse; Mrs Tove Nielsen; Mr Hafer-</i> <i>kamp (Commission)</i>	133
2. <i>Decision on urgency</i> <i>Mr Curry; Mr von der Vring; Mr Provan;</i> <i>Mr Ligios; Mr Hord; Mr Curry; Mr</i> <i>Purvis; Mr de la Malène</i>	105	8. <i>Topical und urgent debate (motions)</i> <i>Mr Croux</i>	137
3. <i>Waste (Docs. 1-109/84, 1-24/84 and</i> <i>1-107/84) (continuation)</i> <i>Mr Sieglerschmidt; Mr Narjes (Commis-</i> <i>sion); Mrs Schleicher; Mr Narjes</i>	106	9. <i>Agenda</i> <i>Mr de Courcy Ling; Mr Provan; Mr</i> <i>Sieglerschmidt; Mr Gontikas; Mr Siegler-</i> <i>schmidt</i>	137
4. <i>Security — Report (Doc. 1-80/84) by Mr</i> <i>Klepsch</i> <i>Mr Klepsch; Mr Hänsch; Mr Schall; Mr</i> <i>Prag; Mr Baillot; Mr Haagerup; Mr</i> <i>Bord; Mr Pesmazoglou; Mr Plaskovitis;</i> <i>Mr Mommersteeg; Mr Kyrkos; Mr</i> <i>Blaney; Mr Romualdi; Mr O'Mahony;</i> <i>Mr Ryan; Mrs Hammerich; Mr Eisma;</i> <i>Mr Klepsch; Mr Haferkamp (Commis-</i> <i>sion); Mr Haagerup; Mrs Hammerich;</i> <i>Mr Prag; Miss De Valera</i>	108	10. <i>Welcome</i>	138
5. <i>Right of members of the armed forces to</i> <i>form associations — Report (Doc.</i> <i>1-1387/83) by Mr Peters</i> <i>Mr Peters</i>	118	11. <i>Question Time (Doc. 1-141/84) (continua-</i> <i>tion)</i> — <i>Questions to the Council:</i> <i>Mr Sherlock</i>	138
6. <i>EEC-USA relations — Reports (Doc.</i> <i>1-1540/83) by Mr Hänsch; (Doc. 1-37/84)</i> <i>by Mr Rieger and (Doc. 1-1543/83) by Mr</i> <i>Spencer</i> <i>Mr Hänsch; Mr Rieger; Mr Spencer; Mr</i> <i>von Wogau; Mr Vitale; Mr Seeler; Mr</i> <i>Habsburg; Sir Fred Catherwood; Mr</i> <i>Wurtz; Mr Israel; Mr Pesmazoglou; Mrs</i> <i>Wieczorek-Zeul; Mr Blumenfeld; Mr</i> <i>Bonaccini; Mr Cousté; Mr Lemmer; Mr</i> <i>Adamou; Mr Gauthier; Mr Alexiadis;</i> <i>Mr Bourmias; Mr Haferkamp (Commis-</i> <i>sion)</i>	119	— <i>Oral question (Doc. 1-24/84 by Mr</i> <i>Alber: Treatment of waste in the Euro-</i> <i>pean Community:</i> <i>Mr Cheysson (Council); Mr Alber; Mr</i> <i>Sieglerschmidt; Mr Cheysson; Mr Habs-</i> <i>burg; Mr Gontikas; Mr Cheysson; Mr</i> <i>Gontikas; Mr Cheysson; Mr Gontikas</i>	138
		— <i>Question No 53, by Mrs Gaiotti De</i> <i>Biase: Meeting of the Council of Minis-</i> <i>ters of Culture during the first half of</i> <i>1984:</i> <i>Mr Sherlock; Mr Cheysson; Mrs</i> <i>Gaiotti De Biase; Mr Cheysson; Mr</i> <i>Balfe; Mr Cheysson; Mr de Courcy</i> <i>Ling; Mr Cheysson</i>	139
		— <i>Question No 55 by Mr Estgen: Memo-</i> <i>randum from the Luxembourg Govern-</i> <i>ment:</i> <i>Mr Cheysson; Mr Estgen; Mr Hutton;</i> <i>Mr Cheysson</i>	141

- *Question No 56, by Mr Marshall: Unit Trusts:*
Mr Cheysson; Mr Marshall; Mr Cheysson; Mr Purvis; Mr Cheysson; Mr Purvis; Mr Cheysson 141
- *Question No 57, by Mr von Wogau: Council meetings on the internal market, and Question No 58, by Mr Nyborg: The Council's willingness to adopt decisions with a view to the creation of the internal Community market:*
Mr Cheysson; Mr von Wogau; Mr Cheysson; Mr Maher; Mr Cheysson; Mr Welsh; Mr Cheysson 142
- *Question No 60, by Mr Rogalla: Personal checks at internal Community frontiers, and Question No 61, by Mr Van Minnen: Reduction of personal checks at Community frontiers:*
Mr Cheysson; Mr Seeler; Mr Cheysson; Mr Seal; Mr Cheysson; Mr Herman; Mr Cheysson; Mr Herman; Mr Cheysson; Mr Sherlock; Mr Cheysson; Mr Sherlock 143
- *Question No 62, by Mr Hutton: Representation of the Council in Parliament:*
Mr Cheysson; Mr Hutton; Mr Cheysson; Sir Brandon Rhys Williams 145
- *Question No 63, by Sir James Scott-Hopkins: USA imposition on stainless steel:*
Mr Cheysson; Sir James Scott-Hopkins; Mr Cheysson; Mr Balfe; Mr Cheysson; Mr Welsh; Mr Cheysson; Mr Eyraud; Mr Cheysson; Mr Pearce 145
- *Questions to the Foreign Ministers:*
 — *Question No 87, by Mr Israel: Policy of the Ten towards the situation in Afghanistan:*
Mr Cheysson (Minister of Foreign Affairs); Mr Israel; Mr Cheysson; Mr Balfe; Mr Cheysson; Mr Van Miert; Mr Cheysson 147
- *Question No 88, by Mr Papaefstratiou: Creation of a nuclear-free zone in the Balkans:*
Mr Cheysson; Mr Papaefstratiou; Mr Cheysson; Sir James Scott-Hopkins; Mr Cheysson; Mr Plaskovitis; Mr Cheysson; Mr Pöttering; Mr Cheysson; Mr Pearce; Mr Eyraud; Mr Plaskovitis 148
12. *Zimbabwe — Report (Doc. 1-1529/83) by Sir James Scott-Hopkins*
Sir James Scott-Hopkins; Mrs Deschamps; Mr Turner; Mr Irmer; Mr Enright; Mr d'Ormesson; Mr Pisani (Commission); Sir James Scott-Hopkins; Mr Pearce 150
13. *Horn of Africa — Report (Doc. 1-1532/83) by Mr Ripa di Meana*
Mr Ripa di Meana; Mr Poniatowski; Mr Deschamps; Mr Pearce; Mr Pisani (Commission); Mr Ripa di Meana 155
14. *Chile — Report (Doc. 1-1531/83) by Mr Israel*
Mr Israel; Mr Van Miert; Mr Penders; Mr de Courcy Ling; Mr Haferkamp (Commission) 158
15. *Central America — Report (Doc. 1-56/84) by Mrs Lenz*
Mrs Lenz; Mrs Van den Heuvel; Mrs Cinciari Rodano; Mr Papaefstratiou 161
16. *Votes* 163
- Annexes*
Mr Bombard; Mr Van Miert; Mr Skovmand; Mr Veronesi; Mrs Baduel Glorioso; Mr Denis; Mr Gerokostopoulos; Mrs Boserup; Mr Plaskovitis; Mr Ripa di Meana; Mr Fich; Mrs Van den Heuvel; Mr Balfe; Mr Blaney; Mrs Castellina; Mr Ephremidis; Mr Kyrkos; Mr Vandemeulebroucke; Mrs Squarcialupi; Mrs Viehoff; Mr Ryan 164

IN THE CHAIR: MR MØLLER

*Vice-President**(The sitting was opened at 9 a.m.)*1. *Approval of the Minutes*

President. — The Minutes of yesterday's sitting have been distributed. Are there any comments?

Mr von der Vring (S). — *(DE)* Mr President, I have two corrections. On page 35, in the new version of Article 3, there should be a semi-colon after the second indent after the word 'inland surface waters' and then a new indent. It was not clear in the previous text, and without it the text is not comprehensible.

Secondly, I would like to draw your attention to page 30. I have made an interpretative statement on the vote, so as to avoid the President having to decide on the consistency of chemical expressions, and the President accepted this. In the Minutes we now have a completely wrong text. What it says is 'The rapporteur, Mr von der Vring, and Mr Gautier spoke...' I would like to add, at the least, 'Mr von der Vring gave an interpretative statement on Article 3 of the proposed directives for forwarding to the Council and the Commission, which the President accepted.' The President accepted this statement, and it cannot then be removed from the Minutes.

President. — Mr von der Vring, your remarks have been noted. The Minutes will be checked and if your comments are correct they will be corrected.

Mr Papaefstratiou (PPE), Chairman of the Committee on Social Affairs and Employment. — *(GR)* Mr President, as chairman of the Committee on Social Affairs and Employment, I request on the basis of Article 94, paragraph 2 of the Rules of Procedure, that a vote be taken so that the House may determine the committee within whose competence comes the report concerning the proposed directive on equal treatment for men and women engaged in an independent profession, including agriculture. The report in question creates a conflict of competence between the Committee on Social Affairs and Employment, and the Committee of Inquiry into the Situation of Women in Europe, and I ask that the House be allowed to vote so that this problem can be solved.

President. — Mr Papaefstratiou, the Committee on Social Affairs and Employment has lodged an objection under Rule 95 (2) against the Bureau's decision to forward Doc. 1-147/84 to the Committee of Inquiry into the Situation of Women in Europe. As is normal in such cases, the final decision on the matter will be taken by the House as a whole. The matter will be put to the vote at the next voting time.

(The Minutes were approved) ¹

¹ Documents received: see Minutes.

2. *Decision on urgency*

PROPOSAL FROM THE COMMISSION TO THE COUNCIL (DOC. 1-127/84): AGRICULTURAL MEASURES

Mr Curry (ED), chairman of the Committee on Agriculture. — Mr President, the committee met yesterday and, as has been the case all through this long debate on the CAP, it has met the deadlines the Assembly asked it to meet. On all the requests for urgent procedure on page 1 of the agenda the committee voted in favour. It was also in favour of the first two requests on page 2 referring to the beef sector: the slaughter premium in the United Kingdom and the calf premiums in Greece, Ireland, Italy and Northern Ireland. All of these could be dealt with by urgent procedure and without debate. The committee was not able to arrive at an opinion on the request from the Commission for urgent procedure for the description of milk and milk products. We agreed that that would have to be decided by the House.

Mr von der Vring (S). — *(DE)* Mr President, just on the last point, namely the proposal of the Commission: if the committee does not give its opinion on the question of urgency, then I would expect at least the Commission to give reasons for the urgency. Otherwise I cannot vote in favour.

(Parliament adopted urgent procedure)

PROPOSAL FROM THE COMMISSION TO THE COUNCIL (DOC. 1-145/84): SLAUGHTERING AND BIRTH PREMIUMS

Mr Provan (ED). — Mr President, I should be obliged if you could take points of order before you take a vote. I was recognized by the Chair as having asked to speak before you took the vote. I should like an assurance from you with regard to the first item on page 2 of the agenda that you will allow explanations of vote. If we are not having a debate — and we have already decided that — I would like to have the right to make a statement as to why we are voting in a certain way. The Commission's proposals in the beef sector are highly discriminatory against the United Kingdom and against the Scottish beef producers whom I am here to represent.

President. — The only possibility of meeting your request would be for you to give a written explanation of vote, since Parliament has decided to take it without debate. You can give a written explanation of vote on Friday.

(Parliament adopted urgent procedure)

PROPOSAL FROM THE COMMISSION TO THE COUNCIL (COM(84) 5 FINAL): MILK AND MILK PRODUCTS

Mr Ligios (PPE). — *(IT)* Mr President, I should like to point out that yesterday the Committee on Agriculture voted, if not unanimously, then by an overwhelming majority in favour of the first five points on the agenda.

On the other hand with regard to the proposal which I believe is opposed by the speaker who preceded me, the Chairman of the Committee, on his own initiative — something which has never happened before — ascertained that there was not a quorum present and referred the vote on urgency back to the Assembly, which the representatives of the Socialist Group and Christian Democrat Group who were present expressed themselves in favour of.

Since we have to put an end to a legalized fraud, I vote, on behalf of my Group, in favour of urgency.

Mr Hord (ED). — Mr President, as Mr Curry has mentioned, this was not approved by the committee yesterday. It is essentially a matter relating to the consumers. It involves substantial changes in terms of the labelling of milk products. Quite clearly, therefore, there is a strong case for Parliament's own committee on consumer affairs to involve itself on this particular proposal. I believe that it is inappropriate for the House to concern itself with urgency until the relevant committee, i.e. our Committee on the Environment, Public Health and Consumer Protection, has had an opportunity of considering the proposal. Bearing in mind that there could be very substantial repercussions for food manufacturing interests throughout the Community, I do believe that this is not urgent. It is something that has been with us and therefore should be dealt with in the normal way by Parliament's committees.

Mr Curry (ED), chairman of the Committee on Agriculture. — Mr President, when Mr Dankert invited the Committee on Agriculture to decide on these matters for urgency, he said that they would be put on Thursday's agenda following the statement by the Commission. The Committee on Agriculture met with that perspective in mind. I should be grateful, as they are part of a prices package which is an important measure, if we could vote them on Thursday rather than take the risks with which we are all familiar of them coming on Friday. I am aware that taking them without debate would normally put them on Friday's agenda, but we assumed that we were governed by the remarks made to us by the President that they would be added to Thursday's agenda. I would be most grateful if you could arrange for that to take place. It would only take up the time of the House for five minutes as they are not being opposed.

President. — Mr Curry, provided there are no objections it will be placed on Thursday's agenda rather than on Friday's.

(Parliament adopted urgent procedure)

Mr Purvis (ED). — Mr President, when Mr Curry first stood up, he said that the first two reports on the United Kingdom slaughter cattle premium and the Northern Ireland additional premium were without debate. But as he did not mention the milk one, except to say that the committee had not made an agreement, I presume it will be debated.

(Cries of No!)

As it has not been agreed by the Committee on Agriculture, I do not see how we can vote on it without a debate.

Mr de la Malène (DEP). — *(FR)* Mr President, I should like to remind the House and the Chair that on Monday, when the order of business was being settled for the whole week, President Dankert got the House to agree that if the Committee on Agriculture decided in favour of urgent procedure in response to the requests from the Council and the Commission and if the House followed suit, which it has, we would have only one joint agricultural debate on Mr Dalsager's statement, taken together with all the matters on which we have just agreed to urgency. This is what was decided and I cannot understand how the Presidency can have come to consider putting this item on the agenda for Friday.

President. — Mr de la Malène, all these items have been brought forward from Friday to Thursday and included in the general debate on agriculture.

3. Waste (continuation)

President. — The next item is the continuation of the debate on the Pruvot report (Doc. 1-109/84).¹

Mr Sieglerschmidt (S). — *(DE)* Mr President, I would first of all like to thank Commissioner Narjes for making himself available once again this morning for these supplementary questions. I have three supplementary questions, one of them being a precision on the question of staff requirements, and two items which, Mr Narjes, you did not mention in your reply, but which are included in the conclusions of the Committee of Inquiry.

With regard to staffing requirements: could you please inform me, for which financial year the Commission has definitely requested posts, with appropriate justifications, for the waste sector, and if so, which ones. If you should answer, that the Commission was not doing so, for they always put in only applications for overall requirements, then my question would be on these lines: has the Commission not made precise applications for requirements in certain individual cases, which is what I have been told. Why is the Commission not doing what is

¹ See previous day's debates.

Sieglerschmidt

happening in all, or in any case in many, Member States, that is to say that they are making quite definite applications for major posts in this sector?

Secondly: is the Commission further prepared, to put forward to the Council a proposal for the inquiry into statistics, which would provide to the Community and its Member States reliable and uniform data over the production, transport, storage and management of dangerous waste material? My third question is: will the Commission do something and commit itself so that we can get the introduction of the testing for environmental safety for all sectors of the economy from the start of the chain of production?

Mr Narjes, Member of the Commission. — (DE) To begin with, the first question. The Commission has repeatedly taken up the theme of environmental protection. It would be wrong to say that only waste management suffers from lack of staff. Protection of the environment as a whole is suffering. And it would be wrong to go as far as to say that just waste management is particularly affected. Second observation: I must refer to a reply by the Commission on the 25th August 1982 to a similar question, which, I believe, was asked by Mr Montini. From this reply, which was printed in the *Journal Officiel* of the 4th October 1982, you will be able to see in detail what was requested for responsibilities connected with the protection of the environment in 1979, 1980, 1981, 1982. That gives a precise answer for the period which interests you. With regard to 1983, I am prepared to get the information. I do not have the documents with me.

I would be pleased to look into your further question as to statistics. I will not say anything more on this today, as the question of statistics naturally presupposes that the corresponding primary statistics are available in the Member States in a reasonable form and that the system for collecting these is consistent. But that, in general, improved information should be available is something which we, like you, have gathered from the work of the Committee of Inquiry, and we shall make a contribution in suitable form for the improvement of the documentation. On this point may I at the same time point out, that all the figures of the Committee of Inquiry concerning quantities of dangerous materials should probably be rounded upwards, because the success of the policy on air and water naturally leads to an increased incidence of toxic and other wastes at the appropriate purifying points, which in their turn have to be removed. This has not yet been included in the documents.

Now to your third point concerning examination for environmental safety. You are aware that the Commission has in general presented the examination for environmental safety as a proposal, and this that is pending with the Council of Ministers. However, I have great hopes that this examination for environ-

mental safety will be adopted during this year, and that will inevitably mean that we must exercise an influence not only on all individual projects, but also in the spirit of these regulations on the way chains of production or production lines are established. I repeat however, what I said yesterday orally: the best method to exercise an influence on the production chain and production line decisions is the full internalizing of external costs. Because it is in this way that you can ensure that everyone who has to make a decision on production lines knows what costs he incurs should he not resolve the question of the elimination of wastes in ways which best meet the needs of environmental protection.

Mr Schleicher (PPE). — (DE) I would like to go back to the question of staff. Mr Commissioner, you said that in the environmental field there are overall staffing problems. It is however a question of imbalance between the various sectors of environmental protection, and we are only concerned that in the field of waste the present staffing is too small and not sufficient to tackle future problems. We would like to ask you once again, whether the Commission in fact is thinking of taking the appropriate steps which we were asking for in the report. My second question, which I already asked yesterday, is this: when will you be presenting the report, which was already due in 1981 and which you also conceded in written inquiries with reference to Article 16 of the directives.

Mr Narjes, Member of the Commission. — (DE) I was not able to reply orally yesterday to the first question, because it was past 6 p.m. and the House became very noisy, when I tried to express myself carefully. It is in fact our intention to draw the consequences. But we cannot create gaps just anywhere in order to stop up other gaps. In view of the thinness of our staffing cover this would be a bad solution. What we need is additional staff. We have however decided to bring the waste sector into a unit of its own, a separate department, in order in this way to make sure that it gets its fair consideration. Also this is part of the inheritance of what I described, in the Spierenburg report, in the 1970's, a report which had in general an organizational picture of the Commission which did not match its legislative responsibilities, and to overcome this is a very difficult task, as the Finance Ministers in the present situation always take the line of least resistance rather than the correct line.

As far as the question concerning the report re Article 16 I would like to repeat what I have said earlier: it remains the case that we shall be putting it forward in May. Should we not be able to fit it in in May, then possibly we may proceed in accordance with Article 169 against those, who up to that time may have failed to meet their obligations.

President. — The debate is closed.

The vote will be taken at the next voting time.

4. Security

President. — The next item is the report (Doc. 1-80/84) by Mr Klepsch, on behalf of the Political Affairs Committee, on an inventory of shared interests, risks and requirements in the security field in the European Community.

Mr Klepsch (PPE), rapporteur. — (DE) Mr President, ladies and gentlemen, I am very pleased that the Political Affairs Committee has given me the major responsibility of presenting a report on the shared European interests, risks and requirements in the security field. In view of the extensiveness and many-sidedness of the subject my report must inevitably be something of a simplification, and selective in its treatment. Some of the members of the committee have already indicated that certain security questions affecting them in particular have unavoidably not been treated in detail in this report. But it is simply not possible, within a single document with a predetermined limited scope, to present and analyse all the shared European interests, risks and requirements in the security field.

My report therefore presents a sketched outline, a simplified representation of some of what are, in my view, the most important shared European interests, risks and requirements in this field. I must leave it to the Political Affairs Committee of the next directly elected Parliament to continue this modest beginning by a detailed examination of specific security problems. Should the House, as I hope it will, establish a sub-committee for the political and economic aspects of security, this will be better armed for such a task. In my introduction, therefore, in view of the short time at my disposal, I shall only be able to go into a few of the most important points and draw out particular aspects.

I would like to put forward one observation of a general character. The European Community was originally conceived by its founding fathers as a peaceful and peace-promoting community. Right from the beginning it was their primary and fundamental objective to rule out for ever the possibility of war between the Member States. Their aim was to create a lasting, continuing state of peace. In this respect the Community has been enormously successful, as history shows.

Over the course of the years, and in recent times, many declarations by heads of State and heads of government, by foreign ministers, and quite clearly by the foreign ministers meeting within the framework of European Political Cooperation, have made it clear that the security aspects of foreign policy are a legitimate component of the activity of the Ten. It is true that the Atlantic Alliance remains the instrument by means of which the defence of the West is basically planned and executed, but the interest of the Ten in

the political and economic aspects of international security, above all within the framework of European Political Cooperation, has increased. Security policy cannot be separated from foreign policy, and to the extent that the EPC increases in importance, the activity of the Ten in the field of the political and economic aspects of security will inevitably be intensified.

In presenting this report I take as my starting point that the Ten have to be aware of two major responsibilities in the security field: the first is the promotion and maintenance of peace in the world, wherever the possibility offers itself, and second the enhancement of the individual and collective security of the Member States, in that they come together to put more effort in and to accord more importance to having a common position during the discussion of security questions with the United States, for example in Nato and in all other institutions. The Stuttgart Summit clearly emphasized this aspect in the joint declaration of the Ten. I take this position as my starting point.

Now there is of course a problem for our Irish colleagues, because of the special situation in which Ireland finds itself, in that it is not a member of the North Atlantic Treaty Organization. We have in past reports always borne this in mind, and naturally this has also been taken into account in my observations. It is clear that, if Ireland is not a member of Nato and if the Member States of the Community which do belong to Nato represent the security interests of the Community, this does not imply Ireland's membership of Nato.

I must make it clear that it is important to us that the Ten should and must further their interests working as far as possible from a common position both in the CSCE, the CSCE follow-up conferences, and also in the efforts to have a better formulation and expression of the common standpoint *vis-à-vis* the United States of North America within Nato, and in the efforts to take steps in the interests of peace within the framework of the United Nations, and in the context of collaboration with all our neighbour States and groupings.

The recent history of our relationships with the United States — we will later be going into this further — indicates that many misunderstandings and serious omissions existed in the mutual consultations, which was also affected by the problem, that a common position of the European States was not defined. From these points of view I would ask you to see that the report here presented is attempting to work out that it is high time we Europeans analysed our situation so that we could put ourselves in the position, in the field of foreign policy and security policy, to speak and act with one voice in the international arena.

Klepsch

I have now selected some points which clearly illustrate this. I am conscious that we must make the effort, based on the facts, to work out a Parliamentary stance which would give us the opportunity to follow the work of the European Political Cooperation and of the Council, monitoring and keeping up with it, and to give expression to the interests of those whom we represent. So I would be grateful if the Commission could, in the near future, let us have a reply to the reports already adopted by Parliament, — I am thinking of the Fergusson report — and if we could increase our efforts to promote the efforts for peace in the world, in particular in the European area through the European Community.

I am aware that it will be necessary to listen carefully to the debate in order to see that we are able to adopt this report with a substantial majority in this House, and I would be grateful if it could be made clear in the discussion which possible elements of the proposal require a critical examination. I am thinking in particular of the proposal of solving an urgent problem, namely the Cyprus question, through a conference, but I leave it to the House to make it clear in the discussion, whether we in fact include this point, accepted only with a narrow majority in the Political Affairs Committee, or whether we leave it to future discussions.

For me what is important is that we Europeans can at last speak with one voice, and that we show in the international political arena a greatness which can achieve results, for although there is public talk about common European efforts in the field of security, action is lacking.

(Applause)

Mr Hänsch (S). — *(DE)* Mr President, ladies and gentlemen. The Socialist Group regards the report which Mr Klepsch has today presented on behalf of the Political Affairs Committee as a necessary and inevitable follow up to the report of Mr Haagerup on European security, which we discussed in Parliament two years ago and adopted. The title of the report reads: 'On shared European interests, risks and requirements in the security field'. Mr Klepsch, you must not take it amiss when I say that this title promises more than the contents of the report deliver. Once again there is nothing of what there should be in such a report. But I will admit that if we were to go into the real questions of the common European security problems, agreement in this Parliament would be very much more difficult to achieve.

All the same it does contain two important points, which do show slight progress compared with its predecessor. It calls once again and with greater clarity for this Parliament and the European Community to ensure that the actions of the Member States in the existing institutions which are associated with security in Europe, should as far as possible be founded on a

common stance. This is something we Socialists support. We want Europe to be concerned not only with milk marketing regulations and with assistance for peas and beans, but also to look at the common conditions and prerequisites for our own security and for securing peace on our continent.

(Applause)

For Europe to assert itself we must be able to put forward within the alliance — with clarity and with authority *vis-à-vis* the United States — a position of our own. Secondly the report proposes the setting up of a sub-committee on the political aspects of security. On this I would like to say: if we as a Parliament want to speak with competence on these matters, it is essential to give thought to the establishment of such a sub-committee.

Finally I cannot conceal the fact that some of my colleagues in the group have reservations. These are the Greek, Danish and Irish Members, who for various reasons, will be making clear their differing points of view in this plenary sitting. We understand the reservations, even when the majority of the Group do not share them.

On one matter I would however like to make a request to you, Mr Rapporteur: would you not agree with me, that paragraph 2(e), which deals with the Cyprus question, which is a special problem, and so has nothing to do with the general question of security in Europe, should be taken out of the report, because it makes it impossible for a whole range of colleagues to give their approval. Therefore I would ask you: paragraph 2(e) on Cyprus must be taken out of the report. If that could be done, ladies and gentlemen, the great majority of the socialist group would accept the Klepsch report.

Mr Schall (PPE). — *(DE)* Mr President, ladies and gentlemen. The group of the European People's Party sees the decision in favour of a common European security policy as in one of the most important political stages on the way to political union, which the European People's Party put into its election manifesto as an objective five years ago. Encouragement, and incentive at the same time! It is under this motto that I would like to class the resolution, short but rich in content, on the scope and requirements of European security. At the same time I would like to refer to the detailed background given by the rapporteur. It touched on all important aspects of the political dimensions of security policy, a dimension which is new to the EEC. Therefore first of all I would like to thank the rapporteur, vice-President Klepsch.

The report, rich in principles and pointers to the future, demonstrates at the same time the objective of all politically free democracies, that is, the maintenance of peace in freedom and autonomy of a united Europe.

Schall

This Parliament, and following its initiative, the Council, have made a significant contribution — the importance of which has not yet been publicly appreciated, — to the development of the European Community. I draw attention in this respect to three resolutions adopted by the House on security policy between 1979 and 1983, and particularly to the important Haagerup report — which contained a motion put forward by the PPE group and won majority approval of the House, — to make in principle the field of European security a future subject of parliamentary discussion. I would further point to the resolutions of the Council in the London Declaration, the Genscher Colombo documents and finally in the Stuttgart Charter 16 months ago, following which the Council, within the framework of the EPC, will take responsibility for activities in connection with European security. The ground is therefore prepared, the seed is sown. It now needs the farsightedness and the steadfastness of the new Parliament to carry through and bring to fruition what is clearly and factually stated in respect of planning and goals set out in the Klepsch report before us.

I would like to take this opportunity to thank the inter-group working party for its work over the last 3 years on European security. In this many colleagues from almost all parties in the House carried out preparatory work which has come to fruition today in the resolution. Paragraph 3 of the resolution which calls for the setting up at the beginning of the next session of a Political Affairs sub-committee on the political aspects of security with a view to dealing in detail with the tasks arising from the political aspects of security follows logically from the work carried out earlier by this House.

The decisive basis for this work is summarized, though with detailed and convincing justification, in two demands set out in paragraph 2 of the resolution. We must start from the point that in the next two decades the East-West conflict both in its ideological dimension as in its power politics dimension will remain the dominant conflict in world politics, even if a shift to the periphery of Europe takes place — one can also characterize it as the search by the Soviet Union for the strategic encirclement of Europe, — which means that here in Europe as well only a system of deterrence can prevent military aggression or political blackmail. To maintain this deterrent, in the sense of genuinely maintaining freedom, is only possible by coordinating the political security efforts of all Member States. Moreover, the instability of the Third World will increase and thereby causing new and heavy responsibilities to fall on European security.

That is why it is all the more important that the resolution should call unequivocally for: first, a clear definition of future European security policy, which by placing heavy reliance on cooperation in foreign policy and economic matters, goes beyond a purely

military defensive security concept, and clearly reveals the real dangers of the threat to Europe. Secondly, a security policy adopted by the European Community and put forward with one voice in the North Atlantic Alliance. This should not weaken in any way the indispensable alliance with the USA, but rather by strengthening Europe's role inside Nato, strengthen its ability to defend and maintain the peace.

(Applause)

Thirdly, the establishment of a security policy concept including the setting up of a European peace contingent, which would be a genuine expression of the responsible role of Europe in the world, and its security interests. My group welcomes this resolution, and will support it, and calls upon all Members of the House to approve the steps which are necessary at the present time.

Mr Prag (ED). — Mr President, it has always, to my mind, been inconceivable that trade and the other economic aspects of foreign policy, which are the field of operation of the Community, could be effectively handled separately from the more purely political aspects. The links are too close and sometimes inextricable. Similarly, it is not possible to separate out security from other foreign policy matters. Security is, indeed, the prime objective of foreign policy. This was recognized by the Member States of the Community under the British Presidency in October 1981 when the 10 Foreign Ministers meeting in political cooperation adopted the London Report recognizing clearly their competence for the economic and political aspects of security. This Parliament has always supported this concept. It seems entirely clear to me that we must have the channels and the instruments within our Community to make our joint European interests felt within the Atlantic Alliance. For there is no doubt that we have interests which are shared by every Member State but on which we have in the past diverged from the United States, for example, on particular European anxieties in the strategic arms talks, on the nature of co-existence with the East, on the nature of United State/European relations, over the gas pipeline, over exports of strategic goods, etc. We need a combined European view, forcefully put, and we need it put in a way that can only strengthen the Atlantic Alliance. It has been suggested that the Western European Union might be used as the instrument for a joint European concept, though not, indeed, happily in the Klepsch report. I believe that this would bring a highly undesirable proliferation of institutions and a dilution of decision-making, dividing the Community's foreign policy among three channels instead of the present two.

On the amendments, my group rejects all the Boyes amendments as being irrelevant to the modest purpose of the Klepsch report. We would accept, however, the deletion of the mention of Cyprus.

Prag

May I now say a quick word about one of Mr Blaney's amendments. His Amendment No 13 claims that the accession of the Irish Republic was negotiated on the specific understanding that Ireland, a neutral country, was joining an economic Community with no intention of extending cooperation into the field of security. That is not only not accurate, Mr President, it is the opposite of what the Irish Government of the time, a Fianna Fail Government, which he supported, actually said. I quote from the White Paper presented to the Dail, the Irish Parliament, by the Irish Government in April 1970: 'It is recognized that as the Communities evolve towards their political objectives, those participating in the new Europe must be prepared to assist if necessary in its defence'.

My group congratulates Mr Klepsch wholeheartedly on his report and equally wholeheartedly supports these modest proposals as the essential next step in ensuring the security of the peoples of Western Europe which must be the object of every government and every political party.

Mr Baillot (COM). — (FR) Mr President, if any subject has been a constant topic of debate during the life of this first directly elected European Parliament, it is the subject of European defence, on which the report by Mr Klepsch will be the last before 17 June.

This contrasts with the total absence, during the same period, of any initiatives from this institution on the problems of peace and disarmament, which are those that concern the peoples of Europe. What a gulf between public opinion and a section of those who are supposed to represent it in this Chamber! If there was anyone left who was still able to believe that the Europe which the Right in this House wants to build would be capable of independence, the Klepsch report will have demonstrated that the contrary is the case, that this same Right wants to bind Europe ever more closely to the United States of America. What does Mr Klepsch say? 'It is not feasible to conceive that the defence of Western Europe can be secured outside the framework of the Alliance or without the active commitment of the United States', of its 350 000 troops stationed in Europe, and the deployment of its nuclear missiles. But he looks for even greater subordination of Europe to the United States, since he says that it would be desirable to consider involving the United States in European political cooperation, as are applicant countries for EEC membership. He also proposes that the United States should be consulted in advance of meetings dealing with European political cooperation, since this would give the United States, I quote, 'the opportunity to influence the discussions and decisions'. It really could not have been put any more clearly than that.

This, according to the rapporteur's proposals, is the way to develop Europe's personality towards maturity and independence

Extending Nato's sphere of competence beyond the North Atlantic, he proposes that, I quote, 'since Nato

cannot itself protect Europe's maritime supply lines outside the geographical zone for which it is responsible, the role of protecting sea lanes in the South Atlantic and the Indian Ocean would therefore be performed more appropriately by the Ten, which have the necessary naval resources'.

For the maintenance of security in part of the southern hemisphere, he suggests that the EEC should make arrangements for back-up from the Iberian Peninsula, Argentina, Brazil and certain carefully selected ACP countries.

The Klepsch report therefore comes out in favour of extension of the existing blocs and the arms race. How often do the most elementary facts have to be repeated in this House? Matters of defence and security are not and never have been within the competence of the European Parliament. Following the breakdown of the Brussels Summit, Mr Mitterrand, President of the French Republic and President-in-Office of the Council, made the point that, in the difficult circumstances prevailing currently in Europe, I quote, 'we urgently need to get back to the Treaties if we are to make progress in European development'.

It is not by disregarding the Treaties and the limitations to Parliament's competence, it is not by diverting European political cooperation — which has our full approval — from its proper purpose, and it is not by denying individual States the right to completely independent determination of their own national defence arrangements, which is what Mr Klepsch is doing, that we shall best serve the peoples of Europe in their need for peace and security. It is not by rushing our fences, whether on institutional matters with the European Union or on security matters with European defence, that we shall solve the economic and social problems facing the Community, such as those of security, peace and disarmament which are the greatest causes of concern to the peoples of Europe. We shall therefore be voting against the report.

Mr Haagerup (L). — (DA) Mr President, in the last few years we have witnessed a vigorous upsurge in the security policy debate in many of our Member States, and we have seen how this debate, which has concentrated especially on nuclear weapons and missiles, has contributed to an exacerbation of the political divisions in a number of our countries and has brought the broad consensus on security and defence policy, which has hitherto existed in many of our countries, into jeopardy. Against this background, it is gratifying to note how the various groups here in the European Parliament, when we debate the political and economic aspects of security, have taken pains to incline our wills towards one another and reach, a basis on which we can continue to discuss all the relevant security policy questions building upon the basis which was laid when 14 months back we adopted the report on political cooperation and security, of which

Haagerup

I was the rapporteur. I had the privilege of chairing the Political Affairs Committee when we debated and adopted the Klepsch report, and I would compliment my colleagues from various groups on their good will in reaching a constructive result, instead of yielding to the temptation to throw accusations at one another over failure to support peace and disarmament. Instead we tried to find a basis for the matters with which Parliament can and should concern itself in the future. We have indeed been subjected to many misunderstandings and many false allegations in this affair. It has been alleged that Parliament has no competence to discuss questions relating to security. Thank heaven, we have got beyond that stage. We do not need to go back to these false allegations, for they have been completely refuted both by present realities and by what we have already adopted and I think that, not least, Mr Hänsch's speech as spokesman of his group today bears witness to the fact that we have come a long way towards establishing a common ground for a discussion and a thorough examination of security policy questions.

It has been pointed out that there are a number of areas in which we have specifically European views which are not identical with those of the United States in the security policy field. I readily recognize that there are, but I would add that of course there is no independent intention to move away from the United States on security policy. The great majority in Parliament too, as I am sure is the case among our populations, still support the Atlantic Alliance. But it is true that there are some areas in which there are specifically European views on security policy, and I think it will only benefit the alliance with North America if we clearly state these separate European interests, if we seek to identify them more precisely; then we can discuss them with our American allies. I think therefore that we have made a good start in Parliament. When I think back to what we thought and said about these questions 4-5 years ago when we began, it seems to me that in spite of everything we have made a fair amount of progress, which will be to the benefit of the new Parliament. A number of worthwhile, albeit limited decisions have been taken which show what it is we want: we do not want to rush to add a military dimension to the Community but to map out the European interests which unite us in security policy too.

IN THE CHAIR: MRS CASSANAMAGNAGO
CERRETTI

Vice-President

Mr Bord (DEP). — (FR) Madam President, ladies and gentlemen, the report presented by Mr Klepsch on behalf of the Political Affairs Committee on shared European interests, risks and requirements in the security field has the merit of drawing Parliament's attention to an original assessment of its various potentialities.

The rapporteur, Mr Klepsch, whom I congratulate, clearly appreciates the scale of the issues to be resolved and the difficulties that any realistic approach to these problems is bound to entail. The aim is therefore no more than to present a general frame of reference within which what we consider to be the necessary further consideration can be conducted.

The European Parliament obviously has an important and perhaps even crucial role to play in the pursuit of this line of enquiry, and we cannot but support the rapporteur's recommendation that there should be an increase in the number of questions addressed to the Foreign Ministers meeting in Political Cooperation.

Whether or not it would be appropriate for reports to be drawn up in committee on all security aspects of direct concern to the Ten is perhaps a less clear-cut issue. Nevertheless, it would seem logical to set up a sub-committee of the Political Affairs Committee to study all political aspects of security.

There are various other proposals which, although calling for very attentive study, are unlikely in our opinion to present insurmountable obstacles. For instance, the establishment of links with the WEU, agreement among the Ten on a common stance concerning selected issues so that we may speak with a single voice at meetings of the North Atlantic Council, or selection of European Political Cooperation as the forum for consideration of these problems — these, in my Group's view are all ideas which deserve to be looked at very seriously, even though we realize, ladies and gentlemen, that our Irish colleagues have a great deal to say on the last of these points, and we appreciate their position.

Taken overall, Madam President, ladies and gentlemen, the text of the motion for a resolution merely gives expression to wishes which are consistent with a Community aspiration with which we are certainly in sympathy. We therefore think that we can support this report.

Mr Pesmazoglou (NI). — (GR) Madam President, I agree with the basic thoughts and Article 1 of the Klepsch report. There is indeed an urgent need to formulate an autonomous Community concept of security, and to lay the foundation of a common defence policy for all 10 Member States. I believe that such a development would contribute positively to the protection of peace, and to all efforts towards disarmament all over the world, but especially in Europe. Without such a common stance and policy the Community's international standing and the effectiveness of its activities in the economic sector will be severely limited. I am however obliged, Madam President, to express my total disagreement with section 5 of paragraph 2 of the Klepsch motion for a resolution, which refers to Cyprus, and this independently of the proposed procedure.

Pesmazoglou

My first comment is that no reference is made to the unilateral declaration of independence by the Turkish Cypriot minority, which has not been withdrawn despite the condemnation of that act, both by all the Member States, and by the Community as a whole, and by the United Nations Security Council. This serious international contravention of legality is by its very nature divisive and disruptive. Thus, it conflicts with the unity of the Republic of Cyprus which the Klepsch report supports. Madam President, how would any one of our countries react if part of its population were to declare its independence unilaterally, and how is it possible to speak of inviting to a conference, as equal partners, the representatives of the section of the population in question which declared independence unilaterally? No solution to the Cyprus problem could possibly come from such a procedure.

My second comment, Madam President, is that a solution to the Cyprus problem is both possible and necessary, and that it is a matter of lively interest to all our peoples. This solution can only come about if the two communities, independently of any outside influence, reach an understanding. This can in fact happen, and all the reports dealing with the Cyprus problem confirm it. However, how is it possible for Turkey's influence to be eliminated and for the anomaly not to be perpetuated unless the Turkish occupation forces are completely withdrawn?

Finally, Madam President, I would like to state that it is a matter of 'interests, risks and requirements', to use the terms of the Klepsch report's title, that any international contravention of legality whatsoever, especially in and around Europe, should be condemned and rectified. For this reason it is urgently necessary to secure the prerequisites for a just and permanent solution to the Cyprus problem in accordance with the resolutions of the United Nations, and within the scope of the related initiatives. This is particularly important to maintain order and for the security of all our peoples.

Mr Plaskovitis (S). — *(GR)* Madam President, the proposed resolution is a sequel to two other resolutions which we Greek Socialists opposed, namely the resolutions in the Haagerup report on European political cooperation and security, and the Fergusson report on the manufacture of weapons in Community countries. If these two reports are considered together with the opposition expressed to the Greek proposal for postponement of the deployment of new missiles and continuation of the Geneva talks, it becomes plain what all the coordinated efforts, mainly by the conservative groups in the European Parliament, are aimed at. Their aim is to push the Community as far as possible towards accepting United States foreign

policy, and towards identifying the EEC with the North Atlantic alliance — of which, be it noted, Ireland does not form a part — an alliance with which my country has serious differences which are still outstanding.

It seems that the rapporteurs of such proposals and resolutions regard political cooperation as a means of weakening the sovereign rights of the Community's Member States in matters of foreign policy and national defence.

In the first place, therefore, we must stress that we are not at all willing to accept such a point of view, which is a deviation from the Treaties. Besides, the Klepsch report moves in a direction precisely opposite to that which the Community should follow, especially at a time when we are happily approving resolutions on a United Europe of the future, such as the Spinelli plan. A United Europe constituting a mere satellite of the United States and a party to the antagonistic folly of the two super-powers, is something we Socialists of Pasok will never accept. We therefore reject resolutions such as this one.

More particularly, as for paragraph 2(e) concerning the Cyprus problem, we must comment that this problem is so serious that it cannot be dealt with by a single paragraph in an unrelated and general report such as that of Mr Klepsch. Moreover, it does not help in any way to solve the problem, granted that at this time a specific negotiating effort is being developed by the Secretary-General of the UNO, Mr de Cuellar. I therefore think that the European Parliament's support should consist in assisting the progress of just those negotiating efforts that the Secretary-General is making, and in constantly confirming the unanimous decision taken both by the Council of Ministers and by the European Parliament for the revocation of the arbitrary and illegal act of declaring Northern Cyprus, occupied as it is by Turkish troops, to be an independent State.

Consequently, we are obliged to declare that we do not accept this report, and more particularly to ask for adoption of the amendment that I put forward, Madam President, and that concerns the deletion of paragraph 2(c) of the Klepsch report.

(Applause)

Mr Mommersteeg (PPE). — *(NL)* Mr President, the Klepsch resolution contains, in my opinion, two important new elements :

Firstly, the appeal to the Ministers meeting in European Political Cooperation (a) to make a thorough analysis of the Member States' shared interests, risks and requirements in the security field with a view to establishing a European security concept and (b) in the meantime to make serious efforts to ensure that

Mommersteeg

the Member States' positions in present institutions having a bearing on European security are based as far as possible on a common approach.

Secondly, the reaffirmation of Parliament's resolve to continue and intensify its activities on the political and economic aspects of European security and, to this end, to set up a standing subcommittee of the Political Affairs Committee.

And why is this so important? Mr President, we surely all realize that for some time now the public has been engaged in a major and confused debate on this subject, a debate that has been stepped up since the adoption of the Haagerup report.

In this debate completely divergent representatives of the political spectrum — from the extreme left to the extreme right — are calling for a more independent or even a completely autonomous security policy, for Europe to be given a larger role in Nato and even for Eastern and Western Europe to be completely detached from the power blocs. There is talk of the 'Europeanization' of defence, of new strategies and so on. But this 'major debate' — strongly influenced by the peace movements and their neutralist undertones — is characterized by vagueness and a lack of clarity regarding the content of a European security policy and of the concept on which it should be based.

The important question is whether this Parliament, acting in every way as a platform for the politicians elected by the people and as an initiator with respect to European Political Cooperation, wants and is able to bring some clarity to this debate, whether it is able to help introduce a convincing perspective which can also lead to a wider public consensus. There is an urgent need for this in the security field because security policy must, after all, have the general support of the public if it is to be credible. If we are to have a European security concept and security policy, generalities will not be enough, whether or not they are accompanied by popular slogans. A thorough analysis must first be made of specific, common European interests, risks and requirements in the security field. That was also the tenor of the motion for a resolution tabled on my initiative last year as a follow-up to the Haagerup report. This is a difficult task.

Mr Klepsch has provided an initial and very creditable impulse in the short time available to him. But the work must be continued by the next Parliament. What is needed is clarification and the convergence of views and positions in at least four major areas: West-West relations, East-West relations, relations outside and economic security.

Only if these four areas at least are systematically analysed in terms of common European interests, risks and requirements in the security field, can the foundations be laid for a political European security concept, or rather a European concept of peace and security.

How could the subcommittee that has been proposed tackle this task most effectively? In all modesty, Mr President, I believe the working methods of the working party on human rights could be taken as an example. The subcommittee would then produce interim reports on which a summary report could be based. It could also undertake fact-finding missions to the 10 capitals, where there are in some cases fundamental differences of approach, for which a common denominator must as far as possible be found. It should organize hearings of security experts, something that was called for in the Haagerup report. The subcommittee could also, if that seemed useful, maintain contact with other institutes having expert knowledge of security aspects, such as the WEU and the North Atlantic Assemblies and any other relevant institutions.

Activities in the security field must not mean taking refuge in attack. We must put our own house in order socially and economically. Economic integration must continue, or the basis for security will also be lacking.

Mr Kyrkos (COM). — (GR) Madam President, the Internal Greek Communist Party categorically opposes any attempt to militarize the Community, and any attempts to bind it more closely to the war machine of the United States and Nato.

The Klepsch report is such an attempt, and we therefore categorically reject it. The proposals by the European Right do not come as a bolt from the blue. Last week, Mr Tindemans, speaking at a seminar of the Western European Union, called on the European Community to progress, if needs be, to military integration, though without the participation of three Member States, Greece, Ireland and Denmark. Colleagues, the European Right bears the main responsibility for the impasses that the European Community faces today. It has failed to provide solutions, it has failed to deal with the economic crisis, with unemployment, with the structural problems of the Community's agriculture, or with the technical challenges of our times. It has led the European Community to a devaluation of its international authority and stature in matters relating to peace. Today, the European Right is here to tell us that the Community needs more missiles, and closer association with the USA and Nato.

The Klepsch proposals reinforce a view concerning Europe's security that has exacerbated the antagonism between the alliances, and to an increase in the number of missiles and nuclear warheads. The result of this logic is that the Community has been demoted to an advanced pawn of worldwide American strategy, and is today facing the lethal danger of being converted into a theatre of nuclear conflict for the sake of American interests.

Kyrkos

However, the solution to the problem of European security in the nuclear age consists in Europe's autonomy with respect to both the United States and the Soviet Union, and in a major initiative to weaken the military alliances so that all missiles can be withdrawn. The peoples of Europe, including men and women with all shades of political and religious conviction, even in Mr Klepsch's own country, are struggling in this direction, which is constantly gaining ground and which the government of my own country also accepts, as we see from its attitude. I also wish to stress our opposition to the proposal concerning Cyprus, because it refers in a neutral way to a problem that is the consequence of military invasion, that is being perpetuated by military occupation, and that should be constantly condemned and its solution sought.

Madam President, together with other colleagues we have put forward amendments, and we stand by these.

Mr Blaney (CDI). — Madam President, what I miss above all in this report is any response to the growing pressure from citizens throughout the Community for a real and urgent effort towards disarmament. If there is one area where the member countries should work together, surely it is that. Instead, what do we have? One more step in an effort to turn the EEC, which came together as an economic Community to ensure peace, prosperity and well-being, into a military and defence Community with common arms procurement and a common intervention force. On that point, my British colleague who alleged that my amendments contained inaccuracies, asserted that I then supported a Fianna Fáil Party or government that issued a White Paper at that particular time. His allegation is inaccurate. I was not then part of Fianna Fáil, nor have I been since, nor am I satisfied that the quote from the White Paper was in proper context.

Having said this, let me say that the effort to turn us into a military and defence Community is to be made without the due democratic process of Treaty negotiation, ratification by our parliament and approval by our voters. I speak here, of course, as an Irish Member. My country is neutral. It chose that stance in order not to be dragged automatically into wars that were not of our making. We decided to join the Economic Community on the clear understanding that it was indeed an economic community. In addition, as a small country, we noted that there were guarantees about having nothing forced on us by our bigger partners. Of course, we can never forget that as a member of this Community, we are at present occupied by another member. While that is the situation, surely it is unlikely that we can sit down to talk about the matters that Mr Klepsch is now dealing with in this report.

But what do we find at the moment? That the Foreign Ministers are already trying to concert their policies on security and that the Irish Foreign

Minister takes part. Mr Klepsch wants the Ten to act as a unit on security matters. I would like to ask him this: how can a country committed to neutrality, together with countries that have their own nuclear weapons and others again that are installing American missiles, have a common policy? Well, the report makes clear how Mr Klepsch thinks it would happen. If the Irish happen to be in the Chair, which would make them Community spokesman, then another country would speak for the Ten. Yes, for the Ten — not just for the ones that would agree! Where are the guarantees of the rights of small countries? Where are the guarantees of Irish neutrality?

I would just say that our Community partners would be better advised to take Irish neutrality and our support for the United Nations as their starting point, instead of trying to drill us into a defence Community, which neither we nor the Danes nor the Greeks want any part of.

I have tabled amendments on these particular items and if none of them are carried, then I shall be forced to vote against the report.

Mr Romualdi (NI). — (*IT*) Mr President, ladies and gentlemen, the members of the Italian political Right, who have always been convinced that you cannot have political capability, and hence independence and the freedom of nations and mankind, unless you have autonomous guarantees of security, broadly support the report presented by Mr Klepsch, whose ample, well-documented explanatory statement is proof of the integrity and sense of responsibility with which Mr Klepsch has approached his task, as indeed was also the case with the Fergusson Report on the control, production and sale of arms, and Mr Haagerup's Report on European political cooperation for security, and the report on the surveillance and protection of the shipping lines that provide Europe with indispensable supplies of energy and strategic materials: all of them highly important, responsible initiatives for the maintenance of peace.

Even on the Klepsch proposal it was inevitable that there would be the usual, contrary declarations of principle and very bitter criticisms coming from the parties of the Left, which are, as always — some more, some less — in agreement to prevent Europe — which they say they want to see united — from having any real 'garantiste' political content. These criticisms do nothing to lessen the validity of the Klepsch proposal and the grounds on which it is based.

Ladies and gentlemen, Europe cannot cut itself off from what is happening in the world, especially around itself, where security and disarmament are concerned. It must participate in the efforts of the UNO for peace, and must contribute with its own contingents to the peace-keeping forces; it must ask with one voice to take an active part in East-West negotiations, convinced of its ability to influence the

Romualdi

reduction of nuclear armaments, at least theatre armaments, as well as conventional weapons, which present an equally serious threat, and cannot be overlooked. It must do all of this in the hope of being able also to make more stable those areas of the world where stability is most at risk. If the European Community were to shun these tasks it would be betraying its role and would be really defenceless in the face of any attempt, from whatever quarter, at whatever time, and in whatever mode, to constrain its way of life and its freedom.

Mr O'Mahony (S). — Madam President, in the very short time available to me I would just like to make two points very briefly.

First despite Mr Klepsch's opening remarks, I find the content of this report deeply insulting to the Member State which I represent. It totally ignores the fact that Ireland is a neutral State and therefore cannot support any proposals which would compromise that position.

Within the past few years there have been persistent attempts within Parliament and within the Community institutions generally to reach agreement on the idea that there should be a common European defence pact under the Nato umbrella. In this context there has been persistent pressure on Ireland to abandon its neutrality. I wish therefore to inform Parliament once again that the electorate in my country deeply resents this pressure. We will not put our neutrality aside and we are under no obligation to do so — despite Mr Prag's remark — under the terms of our accession Treaty or indeed the Treaty of Rome itself.

Secondly the philosophy behind this report represents exclusively a Christian-Democratic and Conservative view of world affairs. It ignores the fact that there are wide differences of opinion in the Community concerning the way in which the present political and military crises should be defused. The Christian-Democratic view that the Community should become a regional department of the Pentagon seems to me to be potentially the most dangerous of all the options available to us in Europe, as we stand on the edge of the nuclear precipice. The Irish Socialist Members, Madam President, will be voting against this report.

Mr Ryan (PPE). — Madam President, the military neutrality of Ireland was fully accepted by all Member States of the EEC when Ireland was admitted to membership in 1973. Ireland remains steadfast in her determination to retain her neutral status. Therefore, Ireland repels all attempts to qualify her neutrality. We must totally reject the proposal that EEC Foreign Ministers meeting in political cooperation should work out a common EEC stance for meetings of the North Atlantic Council or Nato. It would be entirely wrong for an economic community which has no military responsibilities to become involved in military matters.

Nato members of the EEC have no right to use EEC organs for Nato purposes. If they desire to establish common policies. I would suggest that they do so under a Nato umbrella without trying to embarrass the only EEC Member State which is militarily neutral.

In my first speech to the European Parliament in 1973 I emphasized how important it was to Europe that Irish neutrality should be respected. What I said then is true today. I spoke of the invaluable contribution which neutral Ireland's participation in the European Economic Community can make to dispelling any fears which others might have about Europe's peaceful intentions. Since then war scares have increased. It is now more important than ever to convince the world that Europe, at peace within its own borders, and accepting a neutral State into full membership, presents no threat to anybody.

My Irish Christian-Democratic colleagues and I will vote against the Klepsch report. We do so not merely to assert Irish neutrality but also to emphasize the importance of distinguishing between, on the one hand, the defence and military role of Nato, and on the other, the economic and social responsibility of the EEC which has no military role. With all appropriate modesty we recall that many nations have expressed their gratitude for the usefulness of the Irish participation in United Nations peace-keeping forces. Ireland has been able to fulfil that role primarily because Ireland bears no guilt colonialism. Rather Ireland has been, and still is, the victim of colonialism. Were Ireland's future peace-keeping role to be confined to a European army as visualized in the resolution of the Political Affairs Committee, Ireland's acceptability as a peace-keeper and as a neutral State would be suspect. Therefore we must vote against the suggestion that peace-keeping be undertaken only within the context of a European force.

While the resolution speaks only of the political and economic aspects of security, the explanatory statement, which incidentally is not yet available in English, makes it clear that the authors of the resolution and the Political Affairs Committee are preoccupied with the military aspects of security. As military concerns are beyond the competence of the European Economic Community, Parliament should not express a view on them. Still less should it purport to impose obligations in relation to military defence. The Irish people are second to none in their desire to build a peaceful united Europe politically, economically and socially. This leads us to expect that one day Switzerland, Austria, Sweden and Finland and countries east of the Iron Curtain will join with us in creating a real United States of Europe. We are therefore opposed to any measure which could obstruct or delay the historical achievement of a Europe united from the Urals to the Atlantic.

Mrs Hammerich (CDI). — *(DA)* Madam President, already in Mr Klepsch's motion for a resolution itself things are proposed which lie far outside the competence of *all* the Community institutions. I think in particular of point 2 (a), which proposes extended cooperation with Nato. Apart from anything else, it is a slap in the face for Ireland. And point 2 (b): arms control, which is to be discussed with the Pentagon. But arms control, ladies and gentlemen, is not merely concerned with arms reduction but also with the determination of how many there should be and where they are to be located. Remember that! Then there is point 2 (c) which calls for the sending of armed forces to troubled areas across the world and participation in military actions. Those are some of the worst points.

Point 3 calling on the Community to establish a committee on military policy is also reprehensible, but it does not surprise me, for the Political Affairs Committee already functions in effect as a military policy committee.

Passing on to Mr Klepsch's explanatory statement, that is where we find the true horror film. It is a real spine-chiller, even if the title reads peace and freedom and peace and freedom and peace and freedom. There is an interesting fact in point 61, namely that EPC officials already have close relations with officials from Nato and that the Commission is involved. That is a fact which is not known in Denmark, and you can bet that we shall want it investigated.

There is talk in point 62 of switching peaceful production to military production in time of crisis — again Community common armament, the EEC as a military-industrial complex. And these forces of intervention by land, sea and air, which are to preserve peace and presumably secure cheap raw materials for the Community in the South Atlantic, the Indian Ocean, in tropical climates and in cold climates. It also makes sinister reading to see that the deployment of missiles is to be supported and that the reservations which Member States have are to be openly flouted.

A cold-war-mongering and hostile tone runs through the report, which is dangerous. In Denmark the economic arguments for remaining in the Community are wearing thin and are almost exhausted. Now political arguments are being used. The Community is an instrument for the preservation of peace, the Danes are told. But the kind of Community Mr Klepsch speaks of is a deadly dangerous Community, it is a threat to peace. And the more such plans are drawn up, the more important it becomes for Denmark, a country which desires peace and independence, as soon as possible to leave the Community, which is clearly not the commercial venture we thought it was when we voted ourselves in in 1972.

Mr Eisma (NI). — *(NL)* Mr President, apart from being an economic power, we believe Europe is also a

political area, a power factor of importance throughout the world. Europe can come forward with solutions based on its own view of foreign policy, and our thoughts turn in this respect to the Middle East and Central America. But in East-West relations too, Europe occupies a special position between the two superpowers because of its geographical position, and specific security interests therefore apply in Europe's case.

Mr President, this Parliament has little to say about these security interests and security matters. Security policy still plays too limited a role in European Political Cooperation. D'66 feels this must change. Europe must do more to speak with one voice in Nato so that it can do more to safeguard its own European security interests. In this respect, we endorse the resolution tabled by Mr Klepsch, but we should like to go further. If Europe is to speak with one voice in Nato, EPC consultations must cover a wider field.

The Ministers meeting in European Political Cooperation should discuss not only the political aspects of security but also arms control, the export of armaments, defence and industrial policy. Where useful and necessary, the Defence Ministers should also be involved in these consultations. The Commission should also play a wider role in European Political Cooperation, as this will enable Parliament to exercise democratic control through the Commission over the activities of the Ministers meeting in European Political Cooperation, something which not even the national parliaments can do. There is a democratic vacuum here.

As I have said, Mr President, we do not believe the Klepsch resolution goes far enough, but as it is a first step in the right direction, we shall certainly vote for it.

Mr Klepsch (PPE), rapporteur. — *(DE)* I would like, as the Commission has not yet given its views, just to put the question to them once again, whether they have already drawn any conclusions from the Fergusson report.

Mr Haferkamp, Vice-President of the Commission. — *(DE)* We are in the process of answering these questions in the Commission. Conclusions, which might have led to proposals, have not yet been drawn.

President. — Pursuant to Rule 67 of the Rules of Procedure, I now call Mr Haagerup and Mrs Hammerich for personal statements.

Mr Haagerup (L). — *(DA)* Madam President, I should like to have a clarification from the President that, irrespective of the freedom to present any conceivable point of view in this chamber, it is not reasonable for the content of a report we are debating to be misrepresented by the use of words different to those used in it. It states explicitly here that the prop-

Haagerup

osal is to establish a permanent sub-committee on the political and military aspects of security. According to Mrs Hammerich we are to have a military policy committee and the Political Affairs Committee, of which I currently have the honour to be chairman, moreover functions as a military policy committee. Madam President I wish to repudiate that, and I am surprised that Mrs Hammerich, who very seldom turns up in the Committee, should have any opinion on what that Committee actually concerns itself with.

Mrs Hammerich (CDI). — *(DA)* Madam President, to deal first with the non-objective statement: Mr Haagerup said that I was not often present in the Political Affairs Committee; in fact I go there quite often but, if I only went to the Political Affairs Committee when it discusses matters which fall within the competence of the Community, I would actually go there extremely infrequently, if ever.

With regard to point 3, which the material disagreement hinges on, I said quite correctly in my speech that the sub-committee which is proposed would be a military policy committee. I base this on the fact that it is to deal with the political and economic aspects of security. The 'economic aspects of security' is a phrase from the solemn declaration on union which was signed in Stuttgart in June 1983 and which Denmark should never have signed. This phrase, economic aspects of security, is one I have heard used several times in this chamber as a justification for plans for common EEC arms production, put forward by Mr Fergusson, and which Mr Narjes has supported. So I will say to Mr Haagerup that I am not distorting anything, but I feel free to draw my own interpretations and not consult him first. I don't think I shall ever do that.

Mr Prag (ED). — Madam President, I should like to make a personal statement pursuant to Rule 67. I was accused by Mr Blaney of having taken a quotation out of context from an Irish Government White Paper. That quotation was not out of context. It was exactly in line with the sense of the surrounding paragraphs. Furthermore, it was a carefully balanced and considered White Paper prepared by the Irish Government of the time and presented to the Dáil. I think that should be made perfectly clear. I can also remember the Irish Prime Minister during the negotiations, Mr Séan Lemass, saying that Ireland would not expect to join the European Community if it were not prepared also to defend it.

Miss De Valera (DEP). — Madam President, Mr Prag has once again misunderstood Irish policy. However, that is no great surprise to us as Irish people. I would like to record my support for Mr Blaney's views, stated quite clearly here this morning, and to say that, in an Oxford debate back in 1959, Mr

Lemass — indeed his views are still expressed by Fianna Fáil today under its present leadership — said that...

President. — Miss De Valera, I would point out that what you are saying is more than just a personal statement.

Miss De Valera (DEP). — ... as long as partition existed in Ireland then there could be no question of an Irish Government looking at military defence pacts.

President. — The debate is closed. The vote will be taken at the next voting time.

5. Right of members of the armed forces to form associations

President. — The next item is the report (Doc. 1-1387/83) by Mr Peters, on behalf of the Legal Affairs Committee, on the right of members of the armed forces to form associations.

Mr Peters (S), rapporteur. — *(DE)* Madam President, ladies and gentlemen. My report and the motion for a resolution put forward by the Legal Affairs Committee are concerned with the right of members of the armed forces to establish professional associations, to join these professional associations and to participate actively in them. We are calling this the right of association.

This right of association is a special form of the general basic right to form associations and must here be seen from two points of view, i.e. from that of the guarantees of the general basic rights and basic freedoms for everyone, and secondly taking into consideration the particular legal situation and tasks of members of the armed forces. What are the general basic conditions for this right of association? The European Community is trying to consider and protect the basic rights as an essential part of the foundations of the Community, and this is evident in particular in the common declaration of the European Parliament, the Council and the Commission of the 5th April 1977 in relation to the basic rights.

The European Parliament has resolved to strengthen and extend the rights of individuals in the creation and further development of Community Law. This intention and this determination of the European Parliament has been given concrete expression in many ways; in the resolutions, firstly, on the report of the Commission of the European Community on the defence of the basic rights of 1976, secondly in the 1981 report on the abolition of the death penalty in the European Community, thirdly in the 1982 report for the protection of the private rights in the area of

Peters

data processing fourthly, in the 1984 report on the right of conscientious objection to military service. I hope that the European Parliament will now decide on this report as a further example of concrete expression.

The Court of Justice of the European Communities in Luxembourg emphasizes the duty of the European Community for the respect, protection and carrying through of the fundamental rights. So it is part of the standing dispensation of justice by the court, that the fundamental human rights are part of the general basic rights of Community law, whose maintenance the court must assure.

The European Parliament must in the framework of Mrs Macciocchi's report on conscientious objection to military service deal in detail with the protection of the basic rights where the armed services are concerned. In this connection the European Parliament has stressed the principle that basic rights must also be secured in the armed forces. Because of the wide differences which exist regarding the right of military personnel where membership of professional associations and trade unions is concerned — co-determination in Denmark, compulsory consultation before the enactment of social provisions which affect the service in Belgium, the Federal Republic of Germany and in the Netherlands, the liability to criminal proceedings for soldiers who are active in trade unions in France — some harmonization must be achieved. We can no longer tolerate these differences in the European Community. This harmonization can be seen within the context of the objectives of the Community and its task of promoting a constant improvement in the conditions of life and the harmonization of the right of all citizens of the European Community.

It is therefore time to encourage such a harmonization and to secure the right of association of members of the armed forces in the Member States, thereby ensuring as far as possible the basic rights even of soldiers. The European Parliament must give the necessary impetus. What legal principles are involved?

The members of the armed forces are, under public law, in a service relationship, which is based on order and obedience. The right to command of those who hold superior rank can extend even into private life. This begins with the call-up for military service or alternative service. The securing of civil liberties in the military field must be weighed against the need to safeguard the effective functioning of the military organization. The power to exercise command is subordinate to a commitment to law and right. Even in the armed forces human rights are inviolable. The soldier is a citizen in uniform. Secondly, the right of association is a basic right, which is guaranteed by international conventions and principles of international law. The most important and most essential basic rights, the Universal Declaration of Human

Rights, the Social Charter and other declarations provide a corresponding basis for this. The right to social security and the right to the freedom of association, both are the fundamental precondition for the right of association.

This report states that the European Parliament requires the right of soldiers to establish professional associations, to join such associations and to participate actively in them, should be assured in times of peace, that the provisions in the individual States should be harmonized, and that the Council, the Member States and the Parliaments of these Member States should be informed, and requested to make clear their position, and to undertake a harmonization of rights.

(Applause)

President. — The debate is closed.

The vote will be taken at the next voting time.

6. EEC-USA relations

President. — The next item is the joint debate on :

- the report (Doc. 1-1540/83) by Mr Hänsch, on behalf of the Political Affairs Committee, on political relations between the European Community and the United States of America ;
- the report (Doc. 1-37/84) by Mr Rieger, on behalf of the Committee on External Economic Relations, on economic and trade relations between the European Community and the United States of America ;
- the report (Doc. 1-1543/83) by Mr Spencer, on behalf of the Committee on External Economic Relations, on trade relations between the European Community and the United States in the steel sector.

Mr Hänsch (S), rapporteur. — *(DE)* Madam President, ladies and gentlemen, I hope that first of all we can agree on one point. It is right and proper that the European Parliament at the end of its mandate should once again conduct a detailed debate on our relationship with our major partner on the other side of the Atlantic, the United States. There are tensions, there are differences of opinion between the two sides, between the United States and the Community. I do not know whether we should be calling, what is now going on in the Atlantic alliance a crisis. We are not the only ones who are talking about these tensions and this crisis. In the United States as well the discussion of this is increasing all the time, and the name of Kissinger, Eagleburger and Block are among those involved in a quite wide-ranging discussion which has started in the United States concerning the relationship with Europe.

We set out in the report, which I am presenting on behalf of the Political Affairs Committee, the points which are today causing problems for our relationship

Hänsch

with the United States. There are, we believe, localized differences of opinion in the fields of agriculture, steel, trade, protection etc. However, we believe that these differences of opinion and these tensions could be resolved, given goodwill on both sides, but that a solution will be made difficult by problems and arguments, which go deeper, which have deeper causes. We must go into the solution of these deeper problems, if we want to overcome the localized differences of opinion.

One problem, which stands between the United States and the European Community, is the enormous deficit policy which is being conducted by the current US administration. This budget deficit leads to high interests, which causes problems for the reinvigoration of the economy in Europe and for the fight against unemployment on our continent. But they not only cause problems for the reinvigoration of our economy. They cause problems in a very much more serious degree in the economy of the Third World countries. The immense financial deficit and the high interests are being paid by the poorest of the poor on this earth. The bill is being picked up by the poor.

We deplore the lack of consultation between the allies on both sides of the Atlantic. The leadership in an alliance, which naturally goes to the strongest and which he must protect, cannot be a dictatorship. There have been cases in the past, when one has had the impression, that leadership has been exchanged for dictatorship.

We are convinced, that the increasing sharpening of the clash between East and West in Europe leads to a smaller room to manoeuvre of the countries of the European Community, and thereby to a reduced economic and political room to manoeuvre of the European Community.

But we will not continue to dwell on these difficulties. We will look also into the causes. They lie in the United States and in Europe.

Allow me to indicate a few pointers. One is a shift of power and influence inside the United States, a shift of the demographic centre of gravity from the east coast to the south and the west to California, which has as its consequence a shift in the economic power. This will in the short or long term lead to a change in the political outlook of the United States, which will move from the concentration of the Atlantic and Europe to the Pacific area and its neighbouring States Japan and those of Eastern Asia. This naturally has consequences for the influence of Europe.

Secondly, there are differences in the matter of interests. America is one nation, which has worldwide interests and worldwide undertakings. Europe also has worldwide interests, and is affected by whatever happens anywhere in the world, but is associated with the United States by a regional alliance. It is quite inevitable that this should result in differences of opinion.

Thirdly, the position and importance of Europe has changed because of developments in weapon technology. This change in the geostrategic position of Europe and of the countries of the European Community qualifies the importance of Europe for the security and the defence of the United States. It also alters our security and political thinking and position.

There is nothing to complain of in this. I want to make that quite clear. There is nothing to cry out about in protest, but it does mean that we must soberly and in friendship draw the conclusions. We are saying the obvious, in that we require an association and the extension of talks with colleagues in the United States. We require an adaptation of the structures of the alliance to the changed conditions.

Europe cannot demand to be heard, and Europe cannot demand that weight is given to its voice, unless it is itself in the position, to speak with one voice. Therefore all claims which we might put to the United States mean the requirement on ourselves that we put into our own hands the instruments which will enable Europe to speak with one voice.

Allow me to say finally what must be said when criticisms of the United States are made: in everything that we say or whenever we want to change something, we shall never forget the part which the United States played in rebuilding and in protecting the freedom of Europe through its military involvement, through its economic assistance and through its promotion of European unity in the past.

Mr Rieger (S), rapporteur. — (DE) Madam President, it is my privilege to present to the European Parliament for adoption the report of the Committee for External Economic Relations on the Economic and commercial relations between the European Community and the United States of America. After almost two years of intensive work, which was marked to a very high degree by objectivity, it proved possible to obtain the support of the whole committee. In this report a wide field of disputes is covered, from steel to agricultural trade, from East-West economic relations to currency and monetary policy, and in all these questions world economic aspects played a leading role.

Without going into details, I will merely say that the Community has not been able to obtain definite progress in the discussions with the United States. On the contrary, new problems have been accumulating all the time, and the climate has become harsher. The protectionist tendencies in the USA are growing, and the USA seems ever less prepared to take the interests of the Europeans into account. We would warn our American friends to look closely at the devastating effects their financial and monetary policies are having on the world trading system. We appeal once again to the USA to live up to the responsibility which derives from their overwhelming economic potential for the world economy and also the relations with Europe.

Rieger

Despite the growth in recent years in our share of world trade we are reliant on cooperation with the USA and our objective for the future is still to continue and build on this cooperation. This does not however mean that we should neglect initiatives of our own, or not sufficiently clearly represent our own interests where they diverge, perhaps in the area of trade with the east, or in development policy. Above all, however, it is time that the Community ceased merely to react to events, and took up a positive foreign trade strategy. Because of our major degree of dependence we simply cannot afford to stand idly by as our foreign trade interests are obstructed. We are however also very much aware, that in the long-term we cannot be stronger outwardly than we are internally. In the present state of the Community the playing of an active role towards other countries provides a direct opportunity to achieve a self-confidence of the institutions and approval by the citizens, which can enable us to tackle the reform of the Community overall. The shaping of the relations with the USA could therefore provide a crucial point in the advance to a European consciousness.

The Committee for External Economic Relations supports the policy being followed by the Commission within the framework of its responsibilities. We welcome the decision of the Council to extend the field of action of the Commission and to put into their hands, as proposed, a new foreign trade instrument, so in the event of unfair trading practices by third parties it would be able to act quickly. That should not however be the end of the strengthening of the Community trading policy. It is also necessary to provide the European Community delegation in Washington with the means which will allow them to do their work better than hitherto. I personally feel it essential to establish an ancillary post in the west of the USA, in California, in order to improve our representation.

I would ask this sitting to agree to our proposals, and in particular to support the Commission in achieving acceptable agreements on questions under dispute, particularly in the trade in steel and agricultural goods, in arriving at an effective coordination in monetary and exchange rate policy with our two major trading partners USA and Japan, in holding fast to the existing development policy of the Community, so avoiding shaping the relations of the European Community with the countries of the Third World along lines of thinking governed by the East-West conflict, in examining the possibilities for initiative which the Community might have in relation to the initiative proposed by the USA for a new round of negotiations in GATT, and in developing a regular and institutionalized dialogue between the Community and the USA for the avoidance of tensions.

Madam President, we are fighting today for the employment possibilities of tomorrow, and it is a very

definite possibility that in the future this worldwide struggle will be harder. The Community should do everything it can to defend and further its legitimate interests. The Community must become stronger, but this struggle will bring us the desired success only when it is conducted in the consciousness of mutual dependence, mutual respect, and responsibility. This debate today could provide the impetus for the initiative of the Community in ushering in a new stage in our relationship with the United States.

(Applause)

IN THE CHAIR : MR VANDEWIELE

Vice-President

Mr Spencer (ED), rapporteur. — Mr President, it gives me great pleasure to introduce my report on trade relations in the steel sector. There is a certain appropriateness that we should be discussing the steel trade at the same time as the Pennsylvania primary, when the Democratic politicians of America are falling over each other to promise the steel workers yet more protection from European and other goods.

We all know the plight of our own steel industry in Europe, and it is very much part of a problem of world surplus capacity in steel which both we and the Americans wantonly make worse by, at this very moment, competing to provide yet more subsidized credit for yet more South Korean steel mills. But, in addition to the general problem of world over-capacity in this sector, the American industry has imposed upon itself various extra costs. It introduced a highly inflationary wage agreement in the early 1970s. It has had a tradition of less investment by steel companies, partly because of high interest rates, than has been traditional in competitive industries in the world; and a lot of steel companies are actually investing outside steel, diversifying into oil and the rest. Above all, it has been dramatically affected by the soaring value of the dollar. If you look back over the last 20 years you always get demands for protectionism from the Americans whenever the dollar gets out of line with other currencies. On this, as on so many issues in trade, the link between currency and trade policy is absolutely direct and visible.

My report covers the history of the carbon steel agreement concluded in October 1982, and the history of the disagreement over specialty steels. The carbon steel agreement is, in essence, a voluntary restraint agreement that was negotiated conditional on the withdrawal of legal actions against European producers by certain US steel companies. It was extracted under the constant pressure of threats of more protectionist measures if the deal was not concluded. The issue of subsidies to the European steel industries was used, —

Spencer

legitimately to some extent and to some extent not legitimately — to justify the adoption of potentially protectionist measures by a free trading administration — or at least an administration that made a fetish of talking about the need for more free trade in the world. In addition, the negotiating power and influence of the US steel companies was helped by the semi-automatic nature of certain US trade procedures that constantly put pressure on the US Administration to concede more and more to the domestic protectionist lobby. It put pressures on the Commission and its negotiators that go well beyond negotiations conducted entirely under GATT rules. It is in the light of that, that the report congratulates the Commission on achieving, on the whole, very satisfactory arrangements with the Americans over carbon steel and continuing to defend that arrangement in the ensuing years.

The history of specialty steels is very much the history of a disagreement. I would remind colleagues that this was brought about by a package of protectionist measures unilaterally introduced just six weeks after the Williamsburg Summit, which was supposed to have banned such measures. The Commission, quite rightly in our view, reacted by declining to arrange another voluntary restraint agreement and playing the dispute entirely by the rules of GATT. We therefore moved onto a demand for compensation followed by retaliatory measures, all done exactly according to the letter of the GATT Agreement. I think it should be a sobering reminder to those who are making promises of further protection in Pennsylvania this week that protection of steel workers in the specialty steel industries has had to be paid for at the cost of jobs in the chemical industries and the various other industries against which the Community has taken retaliatory action.

There is a price ticket for protectionism in this world. It is not a bottomless pit into which politicians can dip in order to promise an easy future to constituents. I would recommend a study of this dispute to all those who are interested in the development of the Community's trading relationships with its most important partner, and particularly to those who are interested in the development of the new Community commercial instrument.

(Applause)

President. — Mr Haferkamp, yesterday several Members were very hard on the Commission. Today we are starting with congratulations. I hope that you are pleased with Mr Spencer's speech. The Commission deserves to be congratulated from time to time.

Mr von Wogau (PPE), draftsman of an opinion for the Committee on Economic and Monetary Affairs. — *(DE)* Mr President, ladies and gentlemen, this debate on the relationships between the European

Community and the United States provides an opportunity for a basic examination of how it should be conducted, in the sense of a responsible partnership, since the European Community and the United States have a common responsibility for the struggle against unemployment and for the struggle against the pressure for protectionism, which is evident on both sides of the Atlantic. It is true what we already have a marked advance in that today there is no longer talk of a trade war between Europe and the United States, but instead a discussion is being carried on in a sensible manner between the partners about the economic problems which confront us.

Let us take the financial and monetary policy of the United States and the exchange rate of the dollar. There is no doubt about the fact that the high US interest rates are a heavy burden for our economies and also for the economies of the developing countries. But let us not forget that high interest rates are also a burden on the economy of the United States, and also that our countries are to a very large extent running a deficit policy, and that the strong demand on the capital market has driven interest rates upwards. We should not deny responsibility on both sides for this situation. What we really need is a reduction in budget deficits, on both sides of the Atlantic, in the USA and in the countries of the European Community.

Above all, however, we must, on the European side form our economic policy more as a Community. We need a common policy, in order to stabilize the exchange rate of the dollar. We should not expect too much from intervention by the national banks, as they can only smooth out short-term variations. We need a long-term policy, and this means in my view a further development of the European financial system, as it could become a corresponding counterweight to the erratic variations in the dollar, to which we are always exposed. One way or the other, whether the dollar rises or falls, this always creates a problem for the economy on our side of the Atlantic, for different parts of our economy. We need in this matter more stability in the mutual economic relationships.

On the matter of steel policy I must say briefly that we naturally expect that the United States, for its part, will endeavour to uphold the steel agreement. When the weak European Community manages to hold its steel firms to it, then the United States must also do so, and that is an expectation that we state quite clearly.

In agricultural policy, the major theme of this discussion, the problems belong quite simply on the table. May I be allowed a word in public on the fat tax — that is my private opinion. I still do not look kindly on the thought of a fat tax. For me every new tax is a bad tax, and for that reason I do not believe that this is the way we should go. On the other hand, however,

von Wogau

we need a stabilization of the imports of cereal substitutes. This problem needs to be discussed in the framework of GATT, for in this matter our milk market is, in a quite unacceptable way, distended and burdened.

We should not forget that international division of labour and free world trade are the basis of prosperity on both sides of the Atlantic and we together should resist any searching after protectionism.

Mr Vitale (COM), *draftsman of an opinion of the Committee on Agriculture*. — (IT) Mr President, the Committee on Agriculture has firmly rejected the accusations of protectionism and violation of the Rules of GATT in the agricultural sector, but at the same time has avoided doing so in terms that might provoke argument, convinced as it is that, in this sector, Europe and the United States are interdependent.

In the first place the Committee rejected the American argument that the difficulties experienced by American agriculture are caused by the common agricultural policy, which is a policy that has for 20 years helped the growth of the American agricultural economy, which receives overall more aid than is received by European farmers. The American crisis, in this sector as well, is caused by other factors: the rate of exchange of the dollar, competition from new countries, and the decline, from 1981 onwards, in world demand for agricultural products.

Equally unfounded, in the Committee's view, is the accusation that the Rules of GATT have been violated. With a world share of 14% of the cereals market, it cannot be said that the Community has taken up a position that goes beyond its production potential.

Finally, the Committee on Agriculture has expressed its amazement — and it has called the American position 'illogical' — at the fact that, after 20 years living at peace with one another, the United States has gone into the attack, at the very moment when concrete proposals were in the course of preparation to adjust the common agricultural policy to the way the internal and international markets are developing. The opinion was adopted seven months ago and subsequent events, down to the recent Brussels agreements, show how great and deep-rooted is this development of the common agricultural policy. Instead of starting trade wars — the Committee on Agriculture says — both Europe and the United States should be endeavouring to set up a climate of collaboration in the area of four common aims, which I will very quickly enumerate.

First: to remove the obstacles that have been to some extent responsible for the decline in world demand for agricultural products in recent years — and this is a very obvious reference above all else to the rate of exchange of the dollar.

Second: to adjust the supply of agricultural products to the changed world market conditions, so as to stabilize prices and supplies.

Third: to keep down, both in the United States and in the Community — and this is something that we are trying to do in the Community — expenditure on export subsidies.

Fourth: to adopt joint policies for increasing food aid and aid for the autonomous development of agriculture in the newly developing countries.

These four aims can only be achieved through negotiation and patient endeavour to reach *ad hoc* agreements on individual products, and by adjusting both European and American agriculture to the new situations that are emerging.

These, Mr President, are the observations, and this is the message, that the Committee on Agriculture communicated to the Political Affairs Committee.

Mr Seeler (S). — (DE) Mr President, ladies and gentlemen. When relations between the EC and the USA are debated, a clear distinction should be drawn between economic and political relations. Politically we are partners in an alliance, which is vital for Europe's security, and is of fundamental importance to the USA. Economically, on the other hand, the USA is a trading partner of the Community, as are many other States, and in this both sides are legitimately seeking to further their own economic advantage. This however means that these trading relationships must be fair, and a prerequisite is equal partnership. For this reason we in Europe cannot accept that the administration or the legislators in the USA should interfere in the internal matters of the Community and claim for themselves rights which are not their prerogative. I can think of, as an example of this, the embargo of the natural gas pipe technology. Other examples were given by my colleague Mr Rieger in his excellent report.

This embargo was, in fact directed less against the Soviet Union than against an independent export policy of the European countries. As you know, the Community fought successfully against it. This also shows that the European economy would in the long-term be well advised to develop independently its technology. Only thus could it protect itself, for example, against the impossibility of fulfilling export commitments because American suppliers were suddenly prevented by their government from exporting goods of a technological nature. In other words in the division of labour between the EC and the USA tight boundaries are laid down.

The USA are however a very important trading partner of the European Community and vice versa. This means that it is in the interests of both sides to look after these relations and to develop them. But in doing so one must be clear that, at present, that is to

Seeler

say until the election of the new president in the USA, it will scarcely be possible to achieve any results, for example concerning the problems in the sector of agricultural trade. Though the limitation of the import of foodstuffs is essential for the EC, so as among other matters to reduce the milk production, on the other hand their exports are essential for the farmers in the USA. Therefore nothing will be done before the election.

This also applies with regard to the necessary organization of world agricultural trade in general. Here both sides of the Atlantic are in competition on the world market, and both are obliged to export their surpluses, and both sides are trying — this is something which we often have to say — by subsidies, to increase and develop their market share.

The close economic interdependence of the USA and of the European Community has however led to a very strong influence of the dollar on the European market. My colleague Mr Hänsch has already mentioned this. Every one of us is aware of this dangerous cycle, this chain of causation: a high budget deficit, a high foreign trade deficit have led to a high demand for dollars, which in turn is the cause of the high dollar interest rate. This in turn has led to an overvaluing of the dollar against world currencies and to making American exports more expensive and imports cheaper — in addition one of the causes for the steel problem in America.

It is also a cycle which must be broken. The EC can only avoid this development — in this I am at one accord with Mr von Wogau — when it resolves to strive much more vigorously than up to now for an independent common economic, financial and trade policy. Without achieving with this a strengthening of the ECU as a world trading currency against the dollar and the yen, we will not be able to develop permanent independence from the dollar, and therefore whether we will or no we would have to share the problems of American budget and trading policies. An independent European policy requires certainly a wider jurisdiction for the Community and thereby a meatier role for the Commission, but this means at the same time the renunciation by the Member States of a piece of their national independence in favour of the Community.

Mr President, I come now to my conclusion. Whoever wants a strong Community, whoever wants a politically and economically independent Community, must be prepared to give to this Community the jurisdiction and decision-making instruments, which this implies. We cannot live in the dream world of national strength and greatness, and at the same time expect and assume the political and economic security of a European Community to be something self-evident. Demonstrating this clearly once again is part of the significance of this debate.

(Applause)

Mr Habsburg (PPE). — *(DE)* Mr President, I would like to thank Mr Hänsch, with whom I am not at all times and in all circumstances of the same opinion, for the major lines of his proposals. They are well and conscientiously prepared, even if I am not entirely happy on a number of points with the tone adopted towards the great power which protects our freedom.

Our relationship with USA can be reduced to a simple denominator: we would not be here assembled in a freely elected European Parliament, we would not have been able this week to express our opinions without fear or anxiety, were there not an American garrison in Berlin and US forces in the framework of Nato. We would long ago have disappeared into the Soviet people's gulag, as have before us nine once sovereign European nations. It is true, it is not pleasant to be dependent on another, but whose fault is that? Not that of the Americans, for they would like today as much as tomorrow to go back to their own country. In truth it is the fault of the Europeans themselves. We are the second greatest economic power on the earth. We have a greater population than America or Russia. If today regrettably we are in need of protection, it is because we still do not have a political Europe, which means a Europe with its own security policy, quite apart from questions of technology. That is dangerous to our survival. For to be at the same time both rich and weak, is more than critical. Wealth excites envy, and weakness aggressiveness.

We can only change a little of this awkward situation. We must understand that peace and security can only be secured when those who are dedicated to peace are strong enough to deter those who want war from attacking them. As long as this is not the case with us, we need the Americans. It is wrong at the same time to ask the friend to stay and then kick him on the shins. Our constant criticisms of the Americans are, whatever they say, a security risk. The constant moaning at the policy of Washington brings us nothing, it only creates trouble. One should, in the final analysis, show towards one's friend the same understanding which is granted in abundant measure to the enemy. This also applies to policies outside Europe and not least in Central America. We want an American-European partnership but it is up to us to create the conditions for this. Therefore the European People's Party votes for the resolution before us with some amendment proposals.

Sir Fred Catherwood (ED). — Mr President, this debate marks a distinct change in European-American relations. Those relations survived the Vietnam war, they survived the removal of the US Government's guarantee of the world's main reserve currency, the dollar, they survived Watergate, they survived the breaking of the guarantee Secretary Vance gave us on Iran which led to his resignation. But the direct elections to the European Parliament have given Europe a collective voice. That is one major change.

Catherwood

The other change is that, at the same time, America has gone over to a dangerous megaphone diplomacy among the super-powers, and economically it has made a totally unacceptable extension of its extra-territorial jurisdiction. It has drawn off through excessive interest rates the free world's hard currency reserves to finance its enormous internal and external deficits and it has created an extraordinarily dangerous world debt crisis by allowing unregulated and totally irresponsible on-lending by the US banks to countries which have not the slightest chance of repaying.

All this has made us extremely sensitive to our over-dependence on the United States. And yet much of this over-dependence is our own fault. The US has 80 % of the world's hard currency reserves because it has a unified currency and a unified capital market, and the Herman report demands that we have them both. Action is urgent on that. And Europe has too much US nuclear hardware on the ground because although we are as rich and much more populous, we do not provide enough of our own conventional defence to get rid of the US nuclear hardware which we could. Indeed, some countries will not even discuss security. Whatever the many faults of the US constitution, ours is much less unified, less flexible and less democratic and that too we must put right, and urgently, after the election. In the meantime, the democratic world depends on our political agreement, the whole world on our economic agreement, we are locked into partnership with the Americans and we must not let our resentment at the inequality of the partnership damage economic and political agreement. The remedy for the inequality in the partnership is entirely in our own hands.

Mr Wurtz (COM). — (FR) Mr President, a new stock-taking of our relations with the United States is called for in the light of the tension between American and European interests. The ten countries of the Community, which have difficulties enough to contend with at home, are being drawn into an economic war by the United States. Battle is being joined on one front after another: steel, copper, footwear, textiles, machine tools, motor vehicles, wine, and cereal substitutes. As for the United States posture on the international plane, it is assuming the shape of an aggressive policy, one which it is absolutely not in Europe's interest to follow.

We consider that the approach adopted to EEC/USA relations will be of vital importance to the establishment of this new identity that is being sought for Europe.

Independence from the United States is the key to the Community's future.

The implications of this message have not been grasped in the report laid before us. On the one hand, dialogue with the United States on economic, farming and trade issues is of course essential. That said, we need to adopt a firm attitude in our dealings with the

Americans. It is not enough just to sit down at the negotiating table with them. One does not negotiate empty-handed, and the Community must safeguard its interests by using the instruments at its disposal — which could perhaps bear improvement. On the other hand, a strengthening of ties with the United States along the lines proposed in the Hänsch report would take Europe along the course to confrontation, a point which is being brought home all too forcefully by the current situation in Central America, where the Reagan Administration is organizing a blockade of Nicaragua. We, by contrast, see a stronger European influence as making for *détente* and disarmament.

Let Europe launch an initiative to revive the North-South dialogue, let it work for the cause of disarmament, let it support the efforts of the Contadora group, and then it will be in a position to enter a dialogue between respected partners with the United States. That is what we should like to see.

Mr Israël (DEP). — (FR) Mr President, ladies and gentlemen, is the United States our friend, our ally, the greatest power in the world, is the United States in the position of Buridan's Ass? Will it never be able to make the choice between an economically strong Europe, capable of making an effective contribution to the defence of the West, and a Europe subjected to a ruthless economic war and weakened in its own will to defend itself?

The choice does have to be made between these two versions of Europe. If the European Community really is to play its role in defence and security, it must be in a position economically to propose a policy for progress — not out of self-interest, not out of an unhealthy spirit of competition, but with determination.

Whatever the cost to itself, therefore, the United States must desist from undermining the potential of the European economy, and it must do so in the name of its own defence policy, which is the defence policy of the entire West.

We say quite categorically that the security policy formulated by the United States is the only valid one, despite certain fateful errors of judgement, in South-East Asia, Lebanon or Central America. But that does not mean that Europe is relieved of all responsibility. On the contrary, Our duty, the duty of the European Parliament, is to attempt to establish a policy on security which can be coordinated with that of the United States. A security policy, that is to say a general strategy for working towards peace through negotiation and peaceful settlement of conflicts. In order to discharge this duty, we must have an exact awareness of the balance of power and an accurate estimation of the dangers threatening our civilization.

Europe and the United States must also define and pursue an external policy on a common basis, for the general protection of human rights. When dealing

Israël

with the situation in Afghanistan or the situation in Poland, the United States and Europe must speak the same language, both on the strategic level and in regard to the economic implications.

We accordingly find the idea proposed by Mr Hänsch for political cooperation between the United States and the Europe of the ten an excellent idea, and I take this opportunity to congratulate and thank the rapporteur.

The basic question still stands, however. How can we claim to have anything to teach the United States if the Community is incapable of formulating its own policy on security and defence to strengthen the defensive strategy of the West? How can it be imagined that an economic civil war between the United States and the Community can have *no impact* on the pursuit of common objectives in the defence field? There have to be negotiations, comprehensive negotiations. We must make a joint re-examination of all aspects of relations between the United States and Europe, especially economic relations, and reformulate our strategic objectives. A failure to reach agreement would be of no benefit to the independence of any individual State, or of Europe, or of the United States, so true is it, Mr President, that the defence of freedom is a permanent commitment.

(Applause)

Mr Pasmazoglou (NI). — *(GR)* Mr President, I want to underline the common historical and cultural bonds that unite the European peoples with the people of the United States of America, and their common interest in safeguarding peace and in the development of relations between North and South. I am convinced that these common interests are served by a systematic policy of mutual understanding with the USA, based on the special nature and particular interests of the European Community. On this point, I would like to make three specific comments.

Firstly, both the USA and Europe desire to overcome their disagreements and conflicts. This is evident from the texts and proposals of the Rieger and Spencer reports that we have before us.

My second comment is that all Europe's peoples also have common historical and cultural bonds with the peoples of Eastern Europe. This means that we must also maintain a cultural, political and economic dialogue with the people of Eastern Europe, in the interests of a broader approach to peace, détente and disarmament as well.

Finally, my third comment is that all this can be realised if we progress with the reinforcement of our political unity, with the reorganisation and strengthening of institutions favouring a common foreign and defence policy, and with laying the foundation of European union. Without these, and with the weaknesses, delays and political ineptitude of many European governments in taking important decisions

related to these matters, we shall not be able to develop a fruitful cooperation with the USA, the constructive and creative relationship that is needed and that will be a factor favouring peace, progress and disarmament all over the world.

Mrs Wieczorek-Zeul (S). — *(DE)* Ladies and gentlemen, I am in favour of looking at relations with the USA as a whole, not tidily parcelling them up into political, economic and security matters.

What does the report leave out? The fact that the US high interest policy is a result of and a means of the US American armament policy, and the developments will get worse, when, to start with, the 1.5 milliard US armaments programme up to 1986 is carried out. This means, and the report does not make this quite as clear, that we Europeans pay at least three times over for America's armament policy: once through the destruction of our economy because of the flight of European capital, which earns more profit through speculation in the USA than back here through investments which could stimulate employment; secondly through the growing protectionism of the USA and in particular of their government as a reaction to the deteriorating export opportunities of certain sectors of the US economy, and also because of the overvalued dollar, and thirdly because of the fact that we are still financing the consequences of this armament programme, which is already known to us through chemical weapons, radiation weapons and the like, and which if needs be we will have to suffer again as a battlefield.

Ladies and gentlemen, why do we not quite frankly state, that we are at the same time in an absurd and in a perverse situation? We find ourselves in fact in a security alliance with a partner whose whole endeavour in the economic field is devoted to economically weakening this partner, the European Community, in a battle for the recovery of a world market share as part of a struggle to become number one again in the world. This is the test for the Europeans: we should not become the second supporting pillar of the USA in NATO in an effort to ensure worldwide military predominance; our objective must not be European military might, but to develop a common security policy which is oriented towards defence and not to aggression, and which does not turn us into a battlefield.

Our objective must to be develop an economic policy which makes us independent of the USA and which further promotes economic cooperation with the developing countries and with Eastern Europe, as many colleagues have said.

Finally, I would like to put forward an idea. My colleague Mr Hänsch called in his report for the awarding of a prize for outstanding American work on the questions of Atlantic relations. I propose that we give this prize to the American peace and freeze movement, for it has set its face against the arms race in

Wieczorek-Zeul

the USA, here and throughout the world, and it is an example of outstanding cooperation between Europeans and the USA.

Mr Blumenfeld (PPE). — *(DE)* The reports of our colleagues Mr Hänsch, Mr Rieger and Mr Spencer are, from the points of views of facts and contents, outstanding reports, which report on everything which we and the public wish to know. I congratulate our colleagues on their reports. In foreign policy matters and in foreign economic matters there are no more important relations for the European Community than the relations with the USA. In recent years it does appear that this fact has been absent from the minds of some of our colleagues in this House.

Europe and the USA are associated politically, economically and culturally. Twice in this century the Americans have intervened in the European civil war in order to restore peace and freedom. The contribution of the USA — of the Marshall Plan to the economic reconstruction of Europe after 1945 — is of paramount historical importance, and we do not forget too the encouragement of American governments, Senate and House of Representatives to the movement towards European unity, to which we owe our present-day European Community.

Precisely because of tensions which have been growing for years in the USA-EC relationship we would do well to remember this past, and consider in relation to the present and the future, in spite of differences of opinion and talk of crisis, that we remain partners and that we are friends holding the same political ideals. The tensions in economic and trade policy make clear the elements in our relations which give rise to anxiety. Attributing the blame for this predominantly to others is not only unhelpful, it is in fact objectively wrong and in this category I regret I must class the observations and the speech of Mrs Wieczorek-Zeul. I have rarely heard to much falsehood and so much ideological claptrap as in this House, and I am not surprised to have this churned out to the House by Mrs Wieczorek-Zeul.

(Applause)

We must all share the blame, for we do not go into the deeper causes. In this Mr Hänsch is quite right, for he has already stated this.

Europe has therefore economically become an equal ranking partner of the United States. In normal times this would lead to the possibility of confrontation — so how much more so in times of world economic crisis! Surpluses from the agricultural sector, for example, are upsetting traditional markets. National protectionism and restraints on trade are growing. Retaliatory measures are threatened or introduced. The USA operate as a major internal market, which is of major importance to the European economy, which for example concerns the returns which we should be striving for in our economy. Despite all our efforts the

EC still does not have an internal market of this kind. The dollar is the number one world commercial currency. There does not exist a European currency. The determination of member governments to do their own thing has up to now not allowed the economic and political weight of Europe to be effective. America, whose political and economic orientation seems to be moving more and more towards the Pacific and the Far East, is taking up a clear, a hard negotiating position and promotion of its interests. That is why it wants also a strong Europe, and with this I come to my conclusion: we must know where our boundaries lie in the representation of our interests in trade, industry, politics and defence. As long as the question of a President of the United States to his European partners runs: who then exactly is this Europe and who speaks for it? we have no opportunity to put ourselves forward ourselves as a strong Europe.

(Applause)

Mr Bonaccini (COM). — *(IT)* Mr President, ladies and gentlemen, I think it must be considered a matter for rejoicing that, during this sitting, a whole series of problems regarding our international relations has been tackled.

This provides a rough outline of external trade policy which has hitherto not been clearly identifiable, and it is also a good thing that, within this framework, relations with the United States in particular should be examined. I associate myself with the proposal put forward by a member of the Socialist Group to the effect that, after the new Parliament is set up we should proceed to a closer, more complex examination of this whole set of problems.

Of course, we are here examining specific, controversial questions, that have been the subject of conflict and have even caused threats of a trade war to be made on the other side of the Atlantic vis-a-vis Europe; but we must realize that all these questions are part of a more general problem, a conception of economic and political relations.

All the reports aim at better agreement with the United States and the elimination of the various disputes. And we Italian Communists also hope for the same thing, and consider it very important.

I must however say that it would be really out of place for our debate to be over-optimistic and sweetness itself, because there are certain preliminary conditions, if the talks and discussions are to be successful.

The first point: we must start from an awareness of the importance of the subject, and the responsibilities that are involved. This cannot be a responsibility expressed only unilaterally by the European Economic Community. That would bring about the climate of over-dependence on the part of the European States that paragraph 9 of the Rieger resolution rightly draws attention to.

Bonaccini

Second point : it must be made very clear that the will exists to enter into agreements along the lines of the normal principles of private and public international law. The pretexts of extraterritoriality — brutally applied, for example, where taxation is concerned or in the field of sanctions or boycotts — create a climate of interference that is intolerable, even with all the political goodwill, because they run counter to every sovereign, autonomous legal system. That is why Mr Hänsch is right to call for an association to be set up between partners of equal rank, who are aware of this equality.

Third point : we have to give up the idea of attaching international legal force to administrative acts that are clearly internal in their application, unless we wish to re-exhume those pernicious ideas about limited sovereignty which we all abhor and which do so much harm where they are applied in other countries, which we all of us rightly criticize. We have, in other words, not to be excessively dependent — as another report says — on decisions taken by the United States on economic and monetary matters.

Fourth point : both the European Economic Community and the United States have a great responsibility vis-a-vis the rest of the world for the problems of indebtedness, that are referred to a number of times ; for the liberalization of markets, which is referred to rather less often — though one illustrious Commissioner has reminded us that this is a 'cost' that must be distributed more fairly between the countries of the world ; for the restrictive effect of the dollar policy which, as the von Wogau report states — causes a reduction in the productive investment of our continent ; for the question of taxes, which was referred to on a number of occasions ; and for the 'waves' of unjustified protectionism — from both sides, perhaps — which is sometimes evident in some fields.

I agree — European economic policies must tend to 'deflate' the economies of many European states, but we must be careful not to attempt impossible solutions. And Mrs Wiczorek-Zeul, in face of the devastating effects of the dollar, is right not to permit herself any illusions, so that we can all see things in better perspective.

There is one significant fact : the Herman Report, which was discussed at the last sitting, recalls that the United States government, unlike the governments of our countries, is not concerned with balancing its balance of payments, and its account therefore becomes an extremely simple matter.

I should finally like to recall the last part of para. 7 of the opinion drafted by Mr von Wogau : the Community must show more determination in reaching its objectives. It must find the strength to be an exacting partner. This depends on us alone, on the behaviour of the European Economic Community, a Community which cannot behave like an ostrich, hiding its head in the sand. Mr Spencer, on behalf of the

Committee on External Economic Relations, is right to approve of the system of retaliation put together by the Community. However we should also be ashamed of having been induced to do this because, in reality, we ought very much earlier to have acted in such a way that there was no need for systems of retaliation, instead of deluding ourselves that the trade price system would save our exports.

Mr Cousté (DEP). — (*FR*) Mr President, the House is very often criticized for lacking coherence and having no logical pattern in its topics of debate.

Well, I find that there has been a perfectly logical pattern in the debates that we have been holding so far this week. On Monday we discussed the internal market and the need to unify it ; today we turn our attention to relations with the foremost of all our partners in the world, the United States. All this is excellent and gives me an opportunity to say that it is absolutely necessary for Europe to strengthen its internal policy, its internal market, its industry, its commerce, its service industries, so that the dialogue with the United States, its great partner in trade, on monetary, economic and of course political affairs can at last be put on the footing of a real dialogue between equal partners. This does not depend on the United States or on anyone else. It depends on us and that, Mr President, is why we must make full use of the instruments currently available to the Community and create new ones suitable for the task of promoting the emergence of a European economic area amounting to more than just a free-trade area.

If we face the facts we know that the United States of Europe that we want to see will not be created by anyone other than ourselves, the people of Europe, and that we must assume responsibility for our own future, especially bearing in mind that the federal impulse in Europe is neither the economic threat from the United States nor the military threat from the Soviet Union. For that we must look to our political will, our common sense, our initiatives.

It is therefore absolutely essential that the common commercial policy of the Community should really be a commercial policy. In this Chamber we talk a great deal about the common agricultural policy, and that is right and proper, but there is another common policy, the common commercial policy, which is too often overlooked by the general public and even by very many of our own number. We must therefore ensure that Europe speaks with a single voice. It has already done so in GATT, on the subject of the Multi-Fibre Arrangement, and on agricultural and agri-foodstuffs problems. It must carry on in the same vein in the monetary sphere. We hear much talk, in this Chamber and elsewhere, of the dollar's pre-eminence, but we have the European response to hand in the ECU. We must therefore pursue the course of developing the ECU as an international currency and an internal currency.

Cousté

Mr President, it is not out of any hostility towards the United States or anyone else that we want to build the United States of Europe, it is in order to strengthen the cultural, political and economic ties between this Community and the United States, this in the best interests of our security, the security of the entire free world.

(Applause)

Mr Lemmer (PPE). — *(DE)* Mr President, ladies and gentlemen, let me draw your attention to a field, which promises to be the source of great anxiety for us in spite of everything that has been said earlier on acknowledging the USA as the decisive major trading partner, and which I wholeheartedly underline. I am referring to the steel sector. In the Spencer report the very regrettable problems of the trade relations between the United States and Europe, in particular in the steel sector, were made very clear. The steel market is a traditional market. As long as trade relations have existed between the United States and Europe, that is for the last few decades, we have had to deal with the problems endemic to it. We know about the overproduction in Europe and in the United States. We can only then arrive at a balance when both parties really strive for an honest overall agreement, when the United States is prepared to renounce protectionist measures, anti-dumping measures.

In the meantime one does to some extent get the impression that in the United States all imports which go over what is consumed there must be classed as dumping. I believe we in Europe should do everything, using the possibilities available to us, including those which are offered by GATT, to reach a proper balance with the United States in this very difficult area. We know — and I would like to emphasise it yet again — that we must do everything we can in respect of the close partnership which Europe has with the United States and in respect to this large market which the United States constitutes, to achieve a settlement.

Mr Adamou (COM). — *(GR)* Mr President, especially during the pre-election period a great deal of lip-service is being paid by the supporters and faithful adherents of the Community to the EEC's role in establishing the autonomous and unfettered status of Europe, even of the Europe of the Ten, or of the Twelve, on the international political scene, in other words, to the role that this Europe could play on behalf of peace and cooperation between peoples, and on behalf of prosperity of the working people.

Would that it were possible for such ends to be realized! In this way it would answer the urgent aspiration of all European peoples, who are united in their opposition to the deployment of American missiles, who are calling for armament reductions, for applica-

tion of the principle of peaceful coexistence, the rejection of violence and threats, the settlement of all differences by negotiation and dialogue, and who wish to see a limitation of tax exemption for the monopolies and the securing of work and decent living conditions for all working people. It is for such a Europe that we are fighting, and will continue to fight with all our strength.

Because the real aims and aspirations of the governing monopolistic circles that determine the Community's policy contradict the statements of the advocates of the EEC, the reality today is totally different.

The reports we are debating are very revealing so far as relations between the EEC and the USA are concerned. They admit that these relations are dominated by America, and they even stress the unfavourable consequences of American foreign-exchange policy and American interest rates for international capitalist economy. Nevertheless, their entire spirit is aimed at further increasing American dominance over the Europe of the EEC. Ladies and gentlemen, you are calling for a reduction in the budget deficit of the USA and of American interest rates, while you support the giddy programme of American armament and while your political representatives, Thatcher, Kohl, Craxi, Mitterand and the rest, despite and contrary to the will of their peoples, are proceeding with the deployment of more and more American missiles. The key to the solution of all the EEC's problems, in every sector of the economy, trade, foreign policy and defence lies, according to many European leaders, in revitalising European-American relations in the spirit of NATO's aggressive aims and aspirations of American imperialism to world domination. The Socialist M. Mitterand, during his recent visit to the United States and his talks with President Reagan and his hawks, said that there was agreement in substance, and the substance in question is the policy towards the Soviet Union and other Socialist countries. To realise this substance the masters of the EEC are calling for Europe to speak with a single voice and pursue an autonomous defence policy. The same circles wish to abolish the rule of unanimity so that decisions can be taken quickly to make the EEC — as they tell us — a strong and firm partner of the USA. In other words, to impose the dominance of supranational monopolies within the EEC territories and nullify any resistance by the Community's Member States to the disastrous foolhardiness of the maniacs in the American Pentagon.

For us, Mr President, the answer to Europe's problems lies in pursuing a policy of peace, equal cooperation with all countries, and the establishment of a new international economic order that will restrict the tax exemption and profits of the monopolies and safeguard the interests of working people. We shall therefore vote against the motion for a resolution.

IN THE CHAIR : MR NIKOLAOU

Vice-President

President. — Mr Adamou, you spoke so quickly that the interpreters had some difficulty translating what you said.

Mr Gauthier (DEP). — *(FR)* Mr President, ladies and gentlemen, in view of the limited time at my disposal, I shall confine myself to discussion of the report by Mr Spencer.

Although the problems involved are specific, the crisis in relations between the Community and the United States in the steel sector has to be discussed in the context of a large-scale trade offensive by the United States against the European Community.

We can take note — and deplore the fact — that the American Administration is pursuing a protectionist policy against EEC exports, in favour not only of the steel industry but of all vulnerable sectors in the United States, including textiles, motor vehicles and agriculture for instance. Analyses of the current situation shows up the United States' real trade strategy in relation to the Community: the rhetoric of neo-liberalism and free trade for external consumption in harness with protectionism at home. Since 21 October 1982 trade in steel between the EEC and the United States has been conducted under the terms of an arrangement entered into for the specific purpose of reaching a negotiated settlement, once and for all, to a dispute of many years' standing. To this end, the Community made substantial concessions. It agreed to voluntary restraint of its steel exports to the United States according to apparent consumption on the American market, and even extended this voluntary restraint to supplies of six further products. This agreement, which does not expire until the end of 1985, has produced positive results. Indeed, this is the opinion of Commissioners Davignon and Haferkamp, who signed it on behalf of the Community, and moreover it is clearly borne out by the significant downward trend in American imports from the EEC since the arrangement was put into effect. How then can we understand the principles underlying the safeguard measures against special steels adopted by the US administration on 20 July 1983? This American action is both discriminatory against the European Community — and against no-one else — and incompatible with the undertakings given at the Williamsburg Summit and the philosophy of the arrangement itself. Conclusive evidence is provided by two facts. First, shipments from the Community fell sharply — by 32% — between 1981 and 1983, while Community steel products' share of the American market declined by 31.8%, from 6.9% to 4.7%. Secondly, over the same period, other suppliers doubled their exports to the United States.

All this is quite clear. The arrangement has worked well, but American policy is actuated by the major objective of protecting this market.

The truth is that the United States wants to impose fresh multilateral negotiations from which they would gain and only the Community would lose.

It is in the light of this situation that the EPD Group supports the retaliatory measures already taken by the Commission in connection with special steels and calls for further measures of greater scope to be applied in the event that the American Administration should act on the recommendations made by Bethlehem Steel in its complaint.

Mr Alexiadis (NI). — *(GR)* Mr President, the report by Mr Hänsch which we are debating today, on political relations between the European Community and the United States, is timely in that it highlights the indirect, or even direct anti-American propaganda that has recently become widespread in the West.

The Americans are to be blamed for almost everything. A characteristic example is peace. When the Soviet Union arms itself to the teeth, it is applauded as a peace-loving power. Because the United States is compelled to keep an eye on the Soviet Union, not only in its own defence but in the interests of peace throughout the world it is criticized by almost everyone. Has the Soviet Union for years been shedding blood in Afghanistan? Well, all it is doing is to contribute to the socialist restructuring of that country. When the United States intervenes in tiny Grenada to prevent it from becoming a new Cuba on its own doorstep, sensitive democratic hearts all over the place rise in indignation.

Turning to my own country, there too, there is anti-Americanism, fostered not only by the present government but by its predecessor as well. The Cyprus problem remains extant because the Americans do not wish to exert pressure on Turkey. But could not such pressure be exerted, indeed even more effectively, by Russia? They, however, do all they can to avoid displeasing Turkey. And when the Americans proposed a solution to the Cyprus problem with the Acheson plan, we were quick to reject it after having earlier accepted it.

However, let us once more generalise. Without the Marshall plan would it have been possible to rebuild Western Europe, and without the Berlin airlift would it have been possible for a free though mutilated Germany to exist at all? And without NATO and the presence in Germany of American forces 40 years after the end of the war, and without the nuclear umbrella of the United States would it have been possible for Europe this side of the iron curtain to remain free, or would we have become a sort of Finland or Vichy France?

If we accept today's situation of a divided Europe as a fact of life, then the West inevitably has to turn

Alexiadis

towards the United States, as happens precisely in the case of NATO. As we have learned, Europe begins at the Atlantic and ends at the Urals. Thus, to imagine that our European Community as presently constituted — I could call it a 'mini-Europe' — can be a third power, capable of standing up to the two others, is a utopian fantasy. If our beloved and ancient continent were even to regain its natural dimensions and to create the necessary unified political will and defensive self-determination, then the matter could probably be viewed in a different light. Until that time we must preserve our friendly relations with the United States as our most valuable possession, without of course sacrificing essential European interests, but also without creating conflicts where none exist.

President. — Mr Alexiadis, I noted that you had to say a lot of things in a short period of time but, because you spoke very quickly, it was impossible for the interpreters to do their work.

Mr Bournias (PPE). — (*GR*) Ladies and gentlemen, the report by the Political Affairs Committee which we are debating on political relations between the EEC and the USA, prepared by Mr Hänsch, echoes the opinion of an overwhelming majority within our Parliament as was demonstrated by its approval by the Committee with 18 votes in favour, 1 against, and 2 abstentions. The need to improve our political relations with the USA has been pointed out by Parliament since the beginning of 1982 and the Political Affairs Committee has dealt with the matter twice already this year; once with the Gredal report, and the second time with the resolution tabled by Mr Croux and others.

I believe that our relations with the USA are a matter of prime importance for peace, freedom and democracy. It is unthinkable that economic considerations and commercial differences between the two greatest industrial powers in the world today should be a source of danger for our peoples. The American people, which, as in the resolution rightly stresses, is largely of European descent, will not forgive the present leadership of the free world if it fails to take account of the differences that divide America and Western Europe. Besides, our peoples have neither forgotten, nor will they ever forget the military support and the enormous help given by the superpower across the Atlantic to the European nations, both victors and vanquished, immediately after World War II.

I sincerely congratulate the rapporteur Mr Hänsch because he has omitted nothing that can contribute to the elimination of today's political disagreements with the USA, differences which he considers inevitable within the framework of free relations between partners and allies whose interests conflict. The fact that the Community is developing into one of the greatest economic powers in the world, imposes the obligation

on both sides, which serve the same ideals, to review their relation and solve their economic and monetary differences for the sake of common interests and for the preservation of peace in the world. Specific measures must be proposed to impart new form to EEC-USA relations. I have no doubt that these measures will be adopted by the USA as well if they remember their own spirit in the first year after the second World War.

Mr President, ladies and gentlemen, we owe it in large measure that my own country is part of the free world today to the USA. I do not wish to retrace sad steps of my homeland's history, but neither can I refrain from mentioning this historic truth, no matter how much bitterness I may feel concerning the USA's mistaken policies towards my country in recent years.

Overemphasis on Turkey's military contribution to the Atlantic Alliance creates problems in our relations with both the USA and Turkey. I do not wish to expand upon the theme, but I am sorry that the report we are debating omits any mention of it while drawing our attention to the possible threat to the Atlantic Alliance if EEC-USA relations are disturbed. For this reason I wish to say, both to the USA and to our EEC partners, that they should not underestimate the strategic importance of my country in the South-East Mediterranean. Crete alone, which has been termed by the alliance's military experts as a 'powerful aircraft-carrier', offers a deal to the allied defence of the area. Yes, then, to a review of EEC-USA relations, but let us also give practical recognition to the role of every allied country in achieving the common aims. Greece belongs to and believes in the West because she is and will remain a bulwark of the free world; but she asks that at least she should not be treated unjustly from both sides of the Atlantic.

Mr Haferkamp, Vice-President of the Commission. — (*DE*) Mr President, may I first of all warmly thank the rapporteurs. The reports provide an outstanding analysis of the problems which are the subjects of this report, and the resolutions provide a wealth of important, concrete proposals, on how to deal effectively with the problems.

Now to the matter itself: a frequent and increasing subject of public debate of late has been the talk of tensions between Europe and the United States, and I therefore consider it particularly important that today in this debate we have been reminded so emphatically of the foundations of our relations, of the common values, on which these relations turn, and of the historical experiences on which we must base ourselves in our relations. In everything where it is a question of problems and difficulties we should not forget these foundations. We are partners, and for co-operation in a partnership it is self-evident that each of the partners looks after his own interests, and it should also be self-evident that he takes into consideration the interests of the other.

Haferkamp

A couple of observations from the standpoint of the Community's role, particularly in the area of trade: annual trade between the United States and the Community amounts at present to something like 10 billion dollars. It is quite obvious that because of its size there can be problems. The areas of trade or the products where problems or difficulties occur make up about 5 % of the total.

We should always keep these figures in mind when we speak of difficulties, and not proclaim the difficulties in a single case as if it brought the whole relationship of our co-operation into question. That is in no way the case.

Although there have been problems, and certainly there will be problems we have also kept developments under control, and at no time have the newspaper headlines, which here and there can be read, that we are on the point of a trade war, had any justification. That is not true. We know, and that is regrettable but understandable, that in the United States from sides of the economy the pressure for protectionism is rising. However that is not the decisive factor. The decisive factor is how the government reacts to this. And here we can only establish that up to now the government has stood out against this protectionist pressure. I recall their vote against the introduction of a 15 % limit or a limit of 15 % in steel imports to 15 % of the market share. The administration spoke out against it. The administration spoke out against the Wine Equity Act. A whole host of dumping complaints of countervailing duty complaints have been brought in by the industry under Article 201 of the Trade Act.

There is no point in complaining that this was introduced. What is important is only the decision which was made after the conclusion of this agreement. And we expect from the American government, that these proceedings shall not result in protectionist measures. A word in this connection regarding steel. In 1982 we negotiated the steel agreement, which has already been mentioned here. It was then our purpose, to achieve tranquillity for a number of years on the steel front, in order to make it possible for all those involved both in America and in Europe to use this period for reconstruction and consolidation. These efforts, as you know, are still in progress and are causing everywhere major difficulties. However our agreement of 1982 has held. If there are difficulties at present on the American steel market, they do not come from us, but rather from other world trading partners, who have increased their exports to America.

We have criticized this. We simply cannot accept that we should keep to a limitation which we entered into and which we are genuinely maintaining and that others should take the opportunity to pump into this market whatever they can deliver, and we look to the American government to take measures to deal with this. In discussions which we have recently had on

these questions we found that from the American side as well there is a firm interest in continuing in its existing form the agreement which we made in 1982 and not to be influenced by the current difficulties in the steel market in the United States.

As far as the special case is concerned, this was a regrettable decision, which set out a protectionist measure and which, as also has already been explained here, was in contradiction to the declarations of the economic summit in Williamsburg. We immediately took the appropriate measures against it.

I must say here that it seems to me important that we have taken a unilateral European measure against an American measure considered by us as wrong. This might be seen as a step in the direction of a trade war. One brings in a measure, the other hits back. We have not done that.

We considered it a more correct proceeding to refer this whole question to the procedures and rules of GATT, so that the question can be handled there in accordance with the existing rules of international trade.

We have asked the Americans for compensations; the Americans have recognised the justification of this principle in the GATT. We have negotiated on the compensation; the compensations which the Americans wanted to offer us seemed inadequate to us. So we have, still in accordance with the GATT rules, finally taken counter-measures, in that we have raised customs tariffs on a range of products which the Americans export to the Community in order to balance out the damage which has resulted to our economy.

I mention this in some detail in the field of trade, as it shows that we are in the position to keep difficulties under control and to find solutions to problems.

What is important above all else is that we have the will, and secondly, that we handle questions with mutual observance of the rules and procedures of the GATT. But what is particularly important is that in these questions the Community should speak with one voice. In trade policy we do have the Community jurisdiction, and the Commission enters into negotiations in the name of the Community, that is of all the Ten. There is also no doubt that it would not have been possible to reach the steel agreement of 1982 if each of the ten Member States had run separately to Washington and tried to find a solution. It was only possible because in this the Community spoke with one voice. That is something which is important not only for the area of trade.

I would like however to make another observation on the area of trade. We have often found that we cannot act as quickly as we would like. We are often dependent on the decision-making procedure of the Council, which in the past to our regret has often been very slow. Months have often passed until a negotiating directive or a Council decision has emerged.

Haferkamp

On the day before yesterday the Council took a decision on the introduction of a new instrument for trade policy. I believe it to be very important. Contrary to what is stated today in some newspapers it is of course not the case that the Community has thereby fashioned a new protectionist weapon for itself. That is stupid nonsense. And when one can read today in a newspaper circulating throughout the Federal Republic that decisions can now be made by majority vote, then one can only advise the author that he takes one look at the Treaty of Rome. It states there in articles 113 and 114 that all trade questions must be decided by qualified majority.

What is interesting on the question of the instrument is first of all that the introduction of this instrument was decided on by a majority. Here the qualified majority was used. This is a most important circumstance in the history of the decision procedures of the Community. One can go further and say that it is also an important precedent for other fields.

The second is: in this instrument of trade policy the Council has set itself, at our urging, in respect of a range of questions, deadlines for its decision-making process. It has undertaken to make decisions on the basis of a Commission proposal, in respect of a range of questions important for trade policy, within a space of 30 days. I believe that this commitment of the Council to reach a decision within a comparatively short period is of major importance and will surely add weight to our trade policy operations. It is superfluous to emphasize that this instrument of trade policy will operate with complete respect for GATT rules and GATT procedures. We shall not undertake with this instrument anything which can in the least affect our GATT obligations.

It would be nice if we could start from the same base in economic and commercial questions and if I could report a similar situation to what I have said about trade. I will not repeat what has been said about the importance of the budget deficit, the high interest rates and the variations in the dollar. Here we must in my opinion ask of the United States that it shoulder responsibilities commensurate with the importance which it has in the world economy to bring these matters under control. It is true that our possibilities of having an influence on events in these areas would be greater if we had, as Mr Seeler among others has said, a common economic and commercial policy, and if we had in the economic and commercial fields similar authority, and if we spoke with one voice as we have successfully done in the trading field. These possibilities of doing this for ourselves is however a matter which concerns us. We cannot reproach the Americans if they ask, as Mr Blumenfeld has also again quoted: 'with whom are we then talking?' 'who is our partner there?'

Now we have tried in recent years through many personal contacts to take it up and settle it. For several years now we have had regular meetings once a year

between the Commission and the United States Secretary of State, the Trade Secretary, the President's trade representative, the Secretary for Agriculture and the Treasury Secretary. These are not negotiations. The time is not right for this. We have here however a major opportunity once a year to keep the problems under control, to further cooperation and to maintain the spirit of the partnership. From these meetings impetus is given to the day to day work which is of primary importance.

Finally I would like to quote point G from the Political Affairs Committee's motion for a resolution as I believe that this is the basis for what we must observe in relations with the United States to the effect that close and permanent relations between the United States of America and the Community and its Member States make an unassailable contribution to the maintenance of world peace. I believe that this phrase is decisive for the relationship which we have with the United States. Whatever weight we may have in the relationship with the USA depends essentially on ourselves.

(Applause)

President. — The debate is closed.

The vote will be taken at the next voting time.

7. Northern Europe

President. — The next item is the report (Doc. 1-57/84) by Mr Walter, on behalf of the Political Affairs Committee, on relations with the countries of northern Europe.

Mr Walter, rapporteur. — *(DE)* Mr President, ladies and gentlemen, this report on the cooperation between the European Community and the States of northern Europe has three objectives. Firstly we wish to inform Parliament and the public about the situation and its importance; secondly, we would like by this report to put down markers to show that the European Community is open to cooperation with the North in the same way as it is to the South, and thirdly we would like to indicate some possibilities for the further development of our relations.

There are many things in common between the European Community and the northern States: there are common interests; there are also common problems, for example in foreign policy. The northern States are, as is the European Community, signatories of the final act of the CSCE. They have each in their way tried to ensure the success of the CSCE follow-up conference in Madrid. These States, inside and outside the European Community, have tried to see that the little which has emerged in the North-South Dialogue could emerge.

The security of northern Europe requires a policy of balance between the major power blocs of East and West, and that is also the interest of the Member States

Walter

of the European Community. We were able to establish that to the extent to which the European Community has developed its European political cooperation the convergence and parallels on foreign policy questions between the various countries of northern Europe have increased — there has also been convergence on economic policy. We have the free trade agreement which works very satisfactorily, we have a high mutual foreign trade dependence; the countries of northern Europe are among the most important trading partners of the European Community.

We have things in common in trade relationships. In recent years cooperation has developed in many fields, in research, technology, environmental protection and fishing policy. We also have common problems, such as the question of the protection of the environment, in particular the consequences of the acid rain produced in our countries for the environment of the States of northern Europe.

On the whole relations are good. This is also something in which our Member State, Denmark, has played its part, acting successfully as a bridge between the other States of northern Europe and the European Community. This development should even convince the sceptics. Denmark has been able to remain an active partner in northern cooperation and a member of the European Community. Allow me to add that it is also something in which the Commission has played its part, which it has been able to develop so positively the collaboration with the northern states.

Such relations are never so good that they cannot be further improved. This applies, for example, to foreign policy. We are aware of the differing basic decisions in foreign policy of the countries of northern Europe, and we respect them. We are therefore aware also of the limitations on a more closely institutionalized foreign policy cooperation with the countries of northern Europe, but this does not mean to say, that cooperation could not and should not take place in the field of foreign policy. Therefore in our report we call for intensive contacts with the Nordic countries in questions of common foreign policy interest, for example by the foreign ministers conferring in the framework of the EPC, for example in international negotiations and discussions. For this reason we also call for as close a cooperation as possible in the Stockholm Conference and acknowledge the readiness of the European Community to meet the possible wishes of Norway to have close relations in the framework of European political cooperation.

Further development is also necessary in economic policy. In particular any move towards protectionism must be resisted. The efforts of the Community to fight the economic crisis should not be implemented at the expense of the traditionally good trading relationships with the States of northern Europe. It is better in the economic crisis to stick together and we would like to underline that we emphasize that the European currency system is open to the Nordic States.

This however requires indications of good will, which might be expressed by the opening of additional information offices of the European Community in the capitals of the states of northern Europe. We cannot understand how we can maintain, as part of our visitor and information programme, offices and contacts with many regions in the world, but still neglect to some extent a region which is so close to us.

In this report we call for a European Community policy *vis-à-vis* the Nordic countries which will be suited to the nature of their foreign policy alignments and economic interests, which respects the basic foreign policy assumptions of these States and at the same time works towards a unilateral orientation of the European Community to other regions of Europe and the world.

(Applause)

Mr Fich (S). — *(DA)* Mr President, this week should go down in history as one of the most important weeks in the development of Western European cooperation. In fact we are dealing today, on the one hand, with Gerd Walter's report on cooperation between the Community and the Nordic countries and, on the other hand, with Mrs Pruvot's report on cooperation between the Community and the EFTA countries, and in the same week we have had the first meeting between the Ministers from the ten EEC countries and the seven EFTA countries. All this in my opinion points forward to a new and fruitful development in European cooperation, namely an extension of cooperation in the direction of a system of genuine Western European cooperation on a broad front.

At the same time it shows that a great deal has already happened. On the one hand, we achieved free trade in industrial goods between all the EEC countries and the EFTA countries on 1 January 1984 and, on the other hand, we noted that, in the field of research for example, very close cooperation has already developed. But the central issue, which is also stated in Mr Walter's report today, is that we should look forward to a further development of the cooperation.

The key issue in Mr Walter's report, in our opinion, is that there is only one Western Europe. That of course has the full support of the the Socialist Group. We think that in the further development of cooperation, notably inter-European trade, attention should be devoted to all the problems which may be involved in such cooperation. They may be problems in the field of the environment, in the field of the working environment and in relation to social policy, labour market policy and the like.

The absolutely central issue for us is of course that Mr Walter's report concerns itself with the fight against unemployment. Last week there was a major conference here in Strasbourg called by the European trade union movement on the fight against unemployment, and it emerged clearly that there is only one alternative

Fich

to the present crisis, namely genuine Western Europe cooperation in the fight against unemployment. All this should be self-evident, but we have the clear impression that certain governments have not yet grasped this. Also the environment is an important area which should be developed in cooperation. Mr Walter has already mentioned the question of acid rain, and that of course has the full support of the Socialist Group.

All in all, it must be said that the ecological field is a key area for cooperation. Alongside acid rain we have the whole question of pollution of the North Sea. We have corresponding problems of pollution in the Baltic, and these matters are not just European Community problems, they are Western European problems, even general European problems, which must be solved.

I should also like to refer to the question of the European Monetary System. It is a key point in Mr Walter's report that the Monetary System should be extended in breadth, that the Nordic countries should participate in the European Monetary System. That way the ECU would be strengthened and could function as a real alternative to the dollar in international payments. I believe that such a strengthening of the ECU in breadth would mean considerably more than what we have always dealt with here, i.e. the strengthening of the ECU in depth, extending the pattern of cooperation between the present eight partners in the European Monetary System.

Another point in Mr Walter's report which is of crucial importance is what it says about foreign policy cooperation. We note in fact that there are differences in foreign policy stances both among the EEC countries and among the Nordic countries, but that partners are prepared to say: the foreign policy consultations which take place between independent sovereign nations can also be extended to take in those Nordic countries which want to be involved. We strongly support such a policy, and we even urge those Nordic countries which are in favour to participate.

I will therefore conclude by saying that the message in the Walter report is that we must now throw open the doors to significantly broader cooperation. There are those who are members of the European Community. There are those who cannot be members for one reason or another. But it is clear that we all need cooperation in concrete areas, and those countries of Western Europe which have the desire and the will to cooperate should be able to participate in such cooperation. We are very happy to hear what the Council of Ministers and the Commission have to say about this report, for I very much hope that they will follow it up and state clearly their support for the intentions contained in it.

Mr von Hassel (PPE). — *(DE)* Mr President, ladies and gentlemen, between what we have heard from the rapporteur and from the speaker for the Socialist Group, and what I have to add, there is in principle no difference. The Political Affairs Committee gave wide

approval to the report presented by Mr Walter, and there is hardly anything which could divide us. The proposals which have since been presented should present no great difficulties.

The philosophy of the proposals can be summarized in a few points. Firstly, the Community is generally sound, when we keep its border areas sound. We get healthy relationships in this respect only when the structures at the border are sound. If edges of the Community are sound, the whole Community will also be sound.

Secondly Europe does not end at the frontiers of its ten Member States. We therefore have the duty to do what we can to see that the ditches which might have been dug and which have been dug at the edges are filled in and removed. One must also take a step in that direction, — for example into the Scandinavian world. Thirdly, we wish to strengthen cooperation as has already been mentioned, in particular European Political Cooperation, so that on the one hand the Scandinavian countries learn from us, what we have to say on major problems which are the subject of debate, and on the other hand the Scandinavian countries provide us with matters for our own consideration. Finally another observation about edges. We northern Europeans have argued for the development of a Mediterranean plan. The southern Europeans have always found us on their side. We would therefore be grateful to them, if they now for the reasons stated would support this proposal in a sustained fashion.

Mr Moorhouse (ED). — Mr President, now that the tariff barriers are finally down between the European Community and the Nordic countries outside the EEC, I believe there is a real desire on both sides to extend cooperation to such areas as environmental protection, transport policy and energy policy, to name but three in Mr Walter's excellent report. Furthermore, in the case of Norway, there is a desire for European political cooperation reflecting her particular concern with security.

These particular subjects and, indeed, others have at least one thing in common. They are international. Often they cannot readily, if at all, be resolved without international agreement. One refers to issues such as lead in petrol, motor-vehicle emission standards, and acid rain touched on by previous speakers. Not only do they need to be resolved by international agreement, but by agreement within a set framework. The European Community is a natural for just such a task. My strong impression is that the Nordic countries are in some respects denying themselves effective environmental protection by not being members of the Community. But that, of course, is their choice and their privilege, and who knows, they may think me wrong.

As far as transport policy is concerned, Mr Walter's proposal urging that the Community's transport policy should not end at its frontiers, seems only common sense. That, in my personal opinion, should include a common air transport policy; but there again, I suspect

Moorhouse

that a relationship outside the terms of the Treaty of Rome is liable to mean rather little in terms of practical achievement for a very long time to come.

Finally, on energy, Norway, with its vast resources and reserves of oil and gas, could well have a key part to play in helping to diversify still further Europe's energy intake. But some of the far-reaching decisions required may, I suppose, have to wait on the day many of us look forward to when Norway decides to join the Community.

I beg to move the amendments standing in the name of my group.

Mrs Tove Nielsen (L). — *(DA)* Mr President, when I put forward the proposal a few months back that the Political Affairs Committee should produce a report on the development of cooperation between the Community and the Nordic countries over the past ten years and asked for some indications of the future prospects for this cooperation, it was of course with the genuine desire to see a good and sober report, and I should like on behalf of the Liberal Group to thank Mr Walter for his report. I think the rapporteur has involved himself closely with a subject which we Danes are perhaps better able to understand. We are pleased with the many details which have been covered in the report. We are happy about the respect for the position of the various countries. Whether it is a question of foreign policy or commercial policy, the wishes differ from one country to another within the Nordic area. We feel that all this has been explained with splendid clarity.

After the first year of work in the delegation for relations with the countries of northern Europe, it has been a great source of satisfaction to me to note how interest has grown. Each time more of our colleagues from the parliaments in the Nordic countries have joined in the debate with ever increasing enthusiasm. It comes as no surprise, for the Nordic countries of course know very well how important the Community is, since the decisions taken by us here will also affect the other Nordic countries. This is why, for example, Norway has a strongly expressed desire to be as closely involved as possible in European political cooperation. This is why Sweden has a very strong desire to develop cooperation in commercial policy. All this demonstrates how important the Community is and we are very glad to see that respect is shown for the wishes of the countries concerned.

We also think it important that the report says that a future extension of the Community would naturally take place in a northerly direction, and we therefore take the view that, once the populations of the Nordic countries — and that means Norway in the first instance — themselves state a desire to come in, the possibility should be open to them of joining the Community. As I have said, our reaction to this report is very positive, and we are very pleased with the enthusiasm and insight with which Mr Walter has gone about his task.

Mr President, I will conclude my brief speech by saying that we are once again witnessing double morals and hypocrisy with a vengeance, for over there in the back row sit four Danish Members who are saying back home in Denmark that they are the only ones who defend Denmark in Nordic cooperation. Not one of them is present, not one of them has asked to speak. It is hypocrisy and double morality. They are once again misleading the Danish people. They are never present when they should be fighting for what they say they are fighting for. They tell lies!

Mr Haferkamp, Vice-President of the Commission.

— *(DE)* Mr President, I would also like to express my thanks for and appreciation of the report. The debate has first of all shown what importance is attached to the relations with the Nordic States, secondly, that these relations are good, and thirdly, that possibilities do exist for their further development and for deepening them, the necessity for which is recognized by Parliament.

Our trading relations are good. The exchange of goods has undergone a positive development in both directions. The fact that on 1 January this year, in accordance with the agreement which we have with EFTA and with the free trade agreement, the last customs tariffs and quota restrictions in the industrial field disappeared, is a further important step. We have in recent years increased our collaboration with these countries on the basis of the cooperation agreement, according to their special interests in each case, in environmental questions, transport questions and collaboration in research and technology. For some years now we have had with two of the four States an annual meeting at the level of Commission members and ministers, at which we discuss not only bilateral questions but also questions which are of mutual interest, for example in connection with OECD or GATT or even development policy questions, etc. As the foreign ministers on the Nordic side always take part, these meetings also give us the opportunity to discuss, in addition to these questions, problems of general interest. I would like once again to emphasize in relation to this that traditionally we have a good cooperation in international organizations. For example the northern states always have had a good technical cooperation with us during trade negotiations within GATT.

Mr President, all in all the balance sheet is positive. It would be a service to emphasize this by means of this debate in this esteemed chamber. The Commission will continue to pay close attention to working with the northern states and promoting cooperation.

President. — The debate is closed.

The vote will be taken at the next voting time.

(The sitting was adjourned at 12.55 p.m. and resumed at 3 p.m.)

IN THE CHAIR : MR MØLLER

Vice-President

8. *Topical and urgent debate (Motions)*

HABSBURG MOTION

(Inclusion of the motion for a resolution (Doc. 1-161/84) by Mr Croux and Mr Barbi, on behalf of the PPE Group, on the need for Community measures to promote population growth in Europe.)

Mr Croux (PPE). — (NL) Mr President, the issue here is not really population growth. The motion for a resolution was prompted by a different matter. On 5 April the Council said that demographic problems must not be discussed in the Council or the Community, and it is this statement to which the request for urgency refers. It is important for Parliament to say to the Council: no, you certainly must discuss this. That is the problem, not the substance of the matter.

(Parliament adopted the motion)¹

9. *Agenda*

President. — At its meeting this morning the enlarged Bureau instructed me to propose that the oral question by Mr Alber and others to the Council on the treatment of waste in the Community which was entered for debate on yesterday's agenda but which could not be answered because the Council was not present should be transformed into a question for Question Time.

Are there any objections?

That is agreed.

Mr de Courcy Ling (ED). — On a point of order, Mr President, I would like to give you and the House notice that at noon today I informed the Commission that in the May part-session we would be pressing for a topical and urgent debate, under Rule 48 of the Rules of Procedure, on a motion for a resolution tabled by Sir Fred Warner and myself and 19 other Members representing all the four main political groups of the centre right — the majority of this Parliament — on the question of the disposal of dairy surpluses with a view to providing subsidized milk for old-age pensioners in the Community. The purpose of my notice to the Commission at noon today was to give it ample time to study the problem before the May part-session so that at that session we can agree with the Commission on a suitable procedure.

Mr Provan (ED). — On a point of order, Mr President, can you give us any indication as to what is likely to happen in the May part-session of this Parliament? I have been given some indication that the

Bureau has decided that there will be no own-initiative reports taken in May. I would like to support the Bureau on that, if that is its decision. This Parliament has many other things that it has got to debate to make sure that we carry out our full legislative role. I hope that the Bureau will maintain its position and not be influenced by other people peddling their own causes.

President. — Mr Provan, as you realize, May's agenda cannot be discussed before the month of May when the President will submit the draft agenda for adoption, rejection or amendment. I cannot at the moment say what the enlarged Bureau intends since it is meeting at this moment.

Mr Sieglerschmidt (S). — (DE) Mr President, do I understand you aright, that the oral question with debate to the Council, which was put down by several members, including myself, is to be answered in this Question Time by the Council, and not by the President of the Environment Council, but by another representative of the Council?

President. — Mr Sieglerschmidt, Mr Alber's question will be dealt with during Question Time which is about to begin.

Mr Sieglerschmidt (S). — (DE) Mr President, I would like to make another comment on this matter...

Mr Gontikas (PPE) — (GR) Mr President, I would like to raise a procedural matter. I would like to be informed by the Bureau and the Council's Presidency, whether there has been a change in the way that the latter replies to Member's questions. I ask this because the French Presidency maintains that it is answering my Question No H-1/84 through the medium of a Greek government newspaper.

Mr President, I also wish to ask the Presidency whether it is correct for questions by Members of this Parliament to be subject to agreement or approval by national governments? I regard this as unacceptable, I condemn it, and I am in possession of the messages sent by the Presidency to the Greek Ministry for Foreign Affairs. I hope the French Presidency will answer me.

President. — As I understand it the practice is that questions which are tabled for Question Time in Parliament are answered there. If a different procedure is followed, then it is certainly something which has taken place without the Bureau's consent.

Mr Sieglerschmidt (S). — (DE) Mr President, unfortunately you did not give me the opportunity to express an opinion on the question and to say that I consider this procedure as inappropriate. The oral question with debate is of such importance, that in my opinion it should be answered by the current President of the Environment Council in due detail.

¹ For the vote on other motions: see Minutes.

President. — Mr Sieglerschmidt, it was not my decision. It was Parliament that decided that the sitting be resumed at 3 p.m. and we have to respect that decision. I put the proposal to the House since the enlarged Bureau suggested to Mr Alber that his oral question would be transformed into a question for Question Time, and this was accepted by the House.

10. *Welcome*

President. — I have the honour and the pleasure of welcoming the delegation from the Chamber of Deputies of Tunisia, led by His Excellency, Mr Mahmoud Messaadi, which has just taken its place in the official gallery. We bid them welcome and wish them a pleasant stay with us.

(Applause)

The Tunisian delegation will have another meeting with Members of the European Parliament. We are very happy that we and our Tunisian friends have begun this inter-parliamentary dialogue which will give us an opportunity of getting to know each other better. The European Parliament attaches great importance to your visit and to your work with the European Parliament's delegation. We hope that your work will be fruitful and that your stay in Strasbourg will be pleasant, and we send through you our greetings to the Tunisian people as a whole.

11. *Question Time*

President. — The next item is the second part of Question Time (Doc. 1-141/84).

We begin with questions to the Council.

Mr Sherlock (ED). — On a point of order, Mr President. I believe that yesterday one of your vice-presidential colleagues, in the chair, suggested that she would inquire into the propriety of this multiheaded monster that we have as the first question for the Council of the European Communities this afternoon. It is, in fact, four questions related to what, I am afraid I would refer to in my somewhat uncivilized style as 'cultural guff', and is going to take us a very large portion of Question Time if, indeed, we are going to waste these few precious moments that remain of the life of this Parliament.

President. — The first question is the oral question by Mr Alber and others (Doc. 1-24/84) which has been transformed into a question for Question Time.

Subject: Treatment of waste in the European Community

1. What conclusions does the Council draw from the fact that its decisions on the implementation of Community programmes on the treatment of toxic and dangerous waste have not produced satisfactory results, as shown in parti-

cular by the disappearance of drums of material from Seveso?

2. What conclusions does the Council draw from the fact that some Member States have been slow to implement Directive 78/319/EEC, some have failed to implement it in full and one has not yet implemented it at all?

Mr Cheysson, President-in-Office of the Council. — *(FR)* A Commission proposal on cross-border movements of toxic wastes is currently before the Council. This proposal has been discussed extensively at four Council meetings, without any agreement having been reached. Although all the delegations accept the need for an appropriate system of controls to be set up, the problems involved are complex. They also have a bearing on other aspects of Community policy, such as the rules on free movement of goods and transport policy.

The Council nevertheless made definite progress on this dossier at its meeting of 1 March last, particularly on the procedures for notification and control of movements of wastes, and on the matter of the producer's liability.

I hope that these deliberations can be brought to a satisfactory outcome and that a final agreement can be reached in the near future, and I hope that this will be achieved at the Council meeting on the environment which is being held on 28 June next.

With regard to the second part of the question, it is the role of the Commission to see that acts adopted by the Council are complied with.

Mr Alber (PPE). — *(DE)* If the control systems are agreed by everyone, could one then also learn, how the controls are to be extended? Naturally we do not want this to give rise to new border controls. We want to provide for controls on departure or on reception, and as in principle we want to do away with frontier controls what we do not want to do is provide an excuse for new border controls to come in. Who is therefore going to look at the control system which the Council is recommending?

Mr Sieglerschmidt (S). — *(DE)* Mr President in Office of the Council, how many Member States are still preventing through objections the introduction of the proposal for a regulation? In the opinion of the Council will there be a proposal or only a proposal for a directive? What objections have been raised against the adoption of the Commission's proposal?

Mr Cheysson. — *(FR)* The Council's discussions brought out four main problems.

The first was mentioned just now by the Honourable Member. A decision has to be made between making movements of toxic wastes subject to prior authorization, which is what two delegations want, and the solution favoured by the Commission and the other eight

Cheysson

Member States, under which there would merely be a procedure for prior notification although the Member State of destination would have the right to object.

In other words, in one case there would be prior authorization by the State of departure, while in the other case the State of destination would be able to object to a movement on receiving notification of it.

The second difficulty relates to the definition of waste producers' liability, public liability in particular. As it has been agreed that they should be held liable, we are faced with considerable problems in regard to public liability, as you will appreciate.

The third difficulty concerns wastes which are to be recycled. Should they or should they not be included in the scope of the regulation?

Finally, agreement has yet to be reached on whether or not it is appropriate to include obligations for producers who hold wastes, and on transport conditions.

As you see, this is a problem involving considerable technical aspects. The dangers in the event of non-compliance with the rules are so great that the closest attention has to be paid to these technical problems. As for the matter of public liability, there is no need for me to emphasize the scale of what could be involved.

Mr Habsburg (PPE). — (DE) Mr President, I would like to take up once again Mr Gontikas's question. If I have correctly understood the translation, you said that in due course an answer to the question will be provided as to whether it is customary for the national government of a Member of the European Parliament to answer his question. Has this time not now arrived?

President. — Mr Habsburg, what I said was that if a Member tables a question for Parliaments' Question Time he clearly has the right to have it answered during Question Time. If a national government uses a different procedure, that can only be deplored.

Mr Gontikas (PPE). — (GR) Mr President, that is not the point. I made myself quite clear. The question is whether the Presidency has changed the Rules of Procedure and is now answering Members via the press, because that is exactly what happened with a question of mine. The French Presidency maintains that it is answering my question through a Greek government newspaper. The second matter is: Can the French Presidency tell us why it asked for the approval of the Greek Government in order to answer me? I hold the relevant messages at the disposal of the President.

Mr Cheysson. — (FR) Mr President, in my ignorance of Greek, that most beautiful language, I have not understood a single word.

(Laughter)

I should be most grateful to the Honourable Member if he would tell me what he is talking about.

Mr Gontikas (PPE). — (GR) Mr President, I cannot agree with what you are asking. There is a specific question of mine, No H-1/84. I will not refer to the text. There is a specific procedure for the Council to answer Members' questions, either during Question Time or in writing.

Instead of this, the French Presidency maintains that it answered my question via a Greek government newspaper. I therefore ask: First, has the French Presidency altered the procedure for answering Members? And secondly, from which argument does it follow that for the Council's Presidency to answer a Member's question it must secure the agreement of a national government? I hope the interpreters will translate accurately so that the President-in-Office of the Council may comprehend what I am saying.

Mr Cheysson. — (FR) I can assure Mr Gontikas that I did not consult the Greek Government before answering the question that he has just put to me, and moreover I still do not understand the question.

(Laughter)

If Mr Gontikas could tell me that it is Question No H-1/94, I should be very grateful to him. I would then be clear as to what he is talking about, which I have yet to discover, as I have been saying.

Mr Gontikas (PPE). — (GR) Mr President, since I do not wish to waste the House's time, I shall hand in to the French Presidency the message sent to the Greek Ministry of Foreign Affairs and its answer to my question, so that the President-in-Office of Council can take note of the matter and answer me in writing. But I declare to the House that the procedure adopted by the French Presidency is not correct, and Parliament's Bureau must take steps to safeguard the House's authority from similar acts. Mr President, it is not acceptable for Members to learn the French Presidency's answers from the newspapers.

President. — Mr Gontikas, you can neither criticize the Bureau nor the French Presidency and you cannot answer the question without stating which question you are referring to.

Question No 53 by Mrs Gaiotti De Biase (H-16/84):¹

Subject: Meeting of the Council of Ministers for Culture during the first half of 1984

At the informal meeting of the Ministers for Culture of the Member States of the European Community at Athens on 28 November 1983, it was agreed to proceed with meetings between Ministers for Culture, either within the context of the Council or at the level of representatives of the governments of the Member States meeting in Council.

¹ Former oral question with debate (0-123/83), converted into a question for Question Time.

President

The French Minister for Culture, who will be President-in-Office of the Council for the first half of 1984, is reported to have agreed to call a ministerial meeting during the first half of 1984.

In the light of the above, the French Presidency is asked to reply to the following questions :

1. Does the French Presidency envisage, for the first half of 1984, a formal meeting of the Council or of the representatives of the Governments of the Member States meeting in Council with a view to discussing culture-related topics ?
2. Will such meetings take place regularly every year ?
3. In the light of the deliberations at Athens on 28 November 1983, what topics does the French Presidency intend to include on the agenda of the meeting envisaged for the first half of 1984 ?
4. Will, therefore, the European Parliament, and its Committee on Youth, Culture, Education, Information and Sport in particular, be kept informed of the preparations for, and the results of, such meetings ?

Mr Sherlock (ED). — I have had my hand up for the last twenty minutes.

President. — I did not notice.

Mr Sherlock (ED). — Mr President, I must make my apologies to Mr Cheysson and yourself for my anxiety lest he might not answer Mr Alber's question. I was led totally astray, first of all by the order in which the questions appear in this document, on which I presume we must rest some responsibility and reliability, and, secondly, upon the monitors that indicated that the question of Mrs Gaiotti De Biase was to be taken first. My anxiety is, therefore, quite explicable, and I offer both you and Mr Cheysson my apologies.

Mr Cheysson, President-in-Office of the Council. — *(FR)* At the end of the informal meeting of the Ministers for Culture of the Member States of the Community held in Athens on 28 November 1983, Miss Mercouri, the Greek Minister for Culture, who was in the chair, drew a number of conclusions, including the point that the French Presidency would be prepared to hold a meeting of Ministers responsible for cultural affairs during the first half of 1984, to carry on their examination of matters for consideration in this field.

Such a meeting is to be held on 3 May next. The nature of this meeting and the agenda are still being discussed. However, in reply to the fourth part of the question put by Mrs Gaiotti De Biase, I can tell her that my colleague Mr Jack Lang, who is the French Minister for Culture and will therefore be chairing

this meeting of Ministers for Culture, would be very pleased to have discussions with the Committee on Youth, Culture, Education, Information and Sport, either here in Strasbourg or in Brussels, on 27 April next.

Finally, I should like to draw your attention to the fact that the meeting in Athens showed that there was a broad measure of agreement on the idea of carrying on working together on matters of common interest to the 10 Ministers for Culture.

Mrs Gaiotti De Biase (PPE). — *(IT)* Thank you for your answer. I am afraid however that the substance of my question has suffered — it was originally presented as an oral question with debate, on behalf of the Committee on Youth and Culture, as follows: 'Whether there was any likelihood of the practice of having informal meetings of Ministers for Culture being replaced by a formal meeting of Ministers for Culture — bearing in mind the increasingly close link between culture and the economy, and the role that cultural industries play in the fight against unemployment; and whether, therefore, it could be assumed that the opposition of certain Member States to the development of a Community cultural policy had now been overcome.'

Mr Cheysson. — *(FR)* The Honourable Member has defined the problem very neatly. Will it be appropriate, in future, to hold formal meetings of Ministers for Culture? The impression of my colleague Mr Jack Lang, who is President of the Ten in this sphere during the current period, is that judgment should be reserved until the next meeting. This is in fact one of the subjects that he would like to discuss with the Committee on Youth and Culture, on 27 April in Brussels as I said earlier. That is when the agenda for the next meeting, the meeting of 3 May, will be agreed, I hope that proposals will be made to settle the matter of whether there should be formal Council of Ministers meetings or is it preferable to continue with informal meetings.

Mr Balfe (S). — The Presidency may be aware that a long time ago I tabled a resolution which has led to next year being designated European Music Year — the 300th anniversary of Bach, Handel and Scarlatti. This is the first cultural event organized jointly by the European Parliament and the Council of Europe, and I would like to ask the Minister whether at the meeting to be held in May he will discuss providing adequate funding and adequate cooperation for this event to take place. In the past, a number of governments, including, not surprisingly, that of the United Kingdom, whilst they have been willing to accept the benefits, have refused to put up the money. Now that they have the Duke of Kent as the patron of their committee, they may of course change their mind. I should like to ask if this could be discussed.

Mr Cheysson. — (FR) The Council of Ministers is not greatly surprised to learn of the British Government's position on this matter.

As for budgetary proposals, under the Treaty such proposals would have to come from the Commission, if it sees fit, at the appropriate time, which I think would be after this meeting on 3 May.

Mr de Courcy Ling (ED). — In thanking the President-in-Office of the Council for his earlier answers, particularly the early part of his answer, and in expressing our appreciation for the comprehensive nature of his answer to Mrs Gaiotti De Biase, I wish to ask him whether he is aware that nearly all of us on this side of the House, particularly most of the British Conservative Members, admire and appreciate the manner in which he and his colleagues have conducted the Presidency of the Council of Ministers and whether he is aware that we particularly appreciate the efforts which he and his colleagues have pursued to find budgetary and agricultural solutions to the Community's problems. I wish to ask him whether he will take time off at the end of his successful Presidency — and I am confident that it will have been an historically successful Presidency — to celebrate the 80th anniversary of the *entente cordiale*.

Mr Cheysson. — (FR) Mr de Courcy Ling's courtesies are most appropriate to European Music Year.

President. — As the author is not present, Question No 54 will be answered in writing.¹

Question No 55 by Mr Estgen (H-658/83):

Subject: Memorandum from the Luxembourg Government.

What arrangements has the Presidency made for the consideration of the memorandum which the President of the Luxembourg Government submitted to the members of the European Council in Athens on 6 December 1983?

Mr Cheysson, President-in-Office of the Council. — (FR) Following a request received from the Luxembourg Government, the Presidency will very soon be calling a meeting of an *ad hoc* group of representatives of the Member States' Governments to study the memorandum mentioned by the Honourable Member. This group will be reporting by 1 June 1984. The decision to set up this group was of course taken in full agreement with the Luxembourg Government.

Mr Estgen (PPE). — (FR) I should particularly like to thank Mr President Cheysson for this reply, which is entirely to my satisfaction.

Mr Hutton (ED). — What is the reaction of the President-in-Office of the Council to the proposal of

the Luxembourg Government to create a specific European territory in Luxembourg which would be separate from every Member State but would become, as it were, a European capital territory?

Mr Cheysson. — (FR) The Honourable Member and I cannot have read the same memorandum, since I found no such proposal in the memorandum from the Luxembourg Government.

President. — Question No 56 by Mr Marshall (H-669/83):

Subject: Unit Trusts

Could the Council state what developments there have been since it replied to my question on this subject in December 1981?

Mr Cheysson, President-in-Office of the Council. — (FR) The Council's bodies have been carrying on the drafting of the directive to coordinate laws, regulations and administrative provisions concerning collective investment undertakings. It has been agreed to limit the scope of the directive to collective investment undertakings which invest 100 % of their assets in securities. Once it has been carried over into domestic legislation, this directive will make exercise of the freedom to provide services easier for those undertakings which comply with it and obtain approval from the authorities in the place where they have their headquarters. In other words, they will be able to market their units on the territory of another Member State without having units on the territory of another Member State without having to attend to any formalities other than notifying their intention to the authorities there and supplying them with the necessary documentation.

The Council's bodies are carrying on with this work with a view to completing it in as little time as possible. However, the scale of the task to be accomplished should not be underestimated. This directive is to play a pioneering role in the establishment of a Community system facilitating the provision of services.

Mr Marshall (ED). — The President-in-Office of the Council spoke of the Council trying to achieve this objective 'in as little time as possible'. As this question has been discussed at meetings since September 1977 and as the President-in-Office of the Council in 1981 referred to some meetings taking place in 1982, could the President-in-Office give us some idea of the time-scale involved in this rather euphonic phrase 'as little time as possible'?

Mr Cheysson. — (FR) The problems are complicated, as Mr Marshall knows better than anyone. What we have done as the Presidency has been to hold meetings of the Council's working party on economic questions for two days every month since the beginning of 1984. We think that by doing this we have done as

¹ See Annex II.

Cheysson

much as possible to expedite the processing of this matter. The working party has not as yet told us when it will be able to complete its work.

Mr Purvis (ED). — Would the President-in-Office not agree that the real breakthrough to a common European capital market providing for the applicability of unit trust sales throughout the Community would be the removal of all exchange controls on capital movements in all the Member States? Would he use his best offices with those governments that do impose exchange controls on capital movements, to ensure they are eliminated immediately?

Mr Cheysson. — (FR) Yes, to confirm the difficulties involved in this work, with regard to both the exact scope of the future directive and the nature of the transactions permitted. As I have said, we shall be doing everything to expedite this work. I am prepared to say now that we hope to reach an agreement before the end of June 1984.

Mr Purvis (ED). — The President-in-Office did not answer my question, which was whether he would use his best offices to bring about the removal of exchange controls in all those Member States that still impose them. He did not answer that particular aspect of this question.

Mr Cheysson. — (FR) This is indeed one of the points under examination by the working party.

President. — Since they deal with the same subject I call Question No 57 by Mr von Wogau (H-670/83):

Subject: Council meetings on the internal market

It has been reported that, following the successful Council meetings on the internal market held in 1983, there are no plans to hold any further Council meetings entirely devoted to this difficult subject, which is crucial to European integration.

When does the Council intend to hold its next meeting devoted, like the Council meeting of 26 November 1983, entirely to the special problems of the internal market?

and Question No 58 by Mr Nyborg (H-676/83):

Subject: The Council's willingness to adopt decisions with a view to the creation of the internal Community market

Last year both the West German and Greek Presidencies organized several meetings of the Ministers responsible for the common internal market.

What Council meetings of this nature are planned for the first half of 1984?

Mr Cheysson, President-in-Office of the Council. — (FR) Since the Honourable Members tabled their question, a meeting of the Council devoted to the internal

market has been held, on 8 March. The Council addressed itself to several dossiers connected with relaxation of formalities at frontiers and various matters concerned with standardization, not to forget the creation of a new instrument of commercial policy and directives on technical harmonization.

Work is of course continuing on various matters having a bearing on the internal market. Several dossiers will be discussed by other specialized Council, such as the Ecofin Council and the Transport Council. A further meeting of the Internal Market Council will be held before the end of the first half of the year, probably in June. The date will have to be set in the near future.

At its meeting of 22 March, the Transport Council made progress on the subject of application of the directive concerning relaxation of the physical checks and administrative formalities connected with the transport of goods between Member States. The Council noted the commitment given by all Member States to make yet further efforts to apply this directive.

The Council also noted that most Member States, including France and Luxembourg, will not be taking up the option available to them under the directive of postponing application of Article 5, on the opening hours of customs stations.

Italy intends to limit its exercise of this option to its Brenner, Mont Blanc and Tarvisio customs stations and those located outside the Alpine arc.

Greece will endeavour not to make any use of this option.

Recently, however, other progress has been made in terms of the affirmation of political will. For instance, at the European Council meeting on 19 and 20 March the Heads of State or Government insisted on decisive simplification — those were the terms used — of formalities at border crossing-points. This covers goods and will be extended to travellers, a point to which we shall return later.

Finally, I am very pleased to be able to report to Parliament that only yesterday the Council of Ministers reached agreement on adoption of the new instrument of commercial policy. This brings to an end a long discussion which has lasted over 18 months but the outcome is that the Community now has at its disposal means of control and action — with the potential for retaliation where necessary — comparable with those of its leading industrial competitors in the world, notably the United States and Japan. For this instrument to be effective, we in the Council had to confirm the Commission's powers and fix a maximum time-limit for examination by the Council when it has to intervene; this limit was set at 30 days.

Cheysson

These, as you will appreciate, are decisions of considerable importance to the life of the Community, all the greater importance in that the decision was taken on the basis of a qualified majority.

Mr von Wogau (PPE). — *(DE)* First of all I would like to congratulate the Council that in this case it has made use of the possibility of majority decision. That is an important step in the right direction.

I would like to ask two supplementary questions. Is it correct, that in the context of this internal market conference the free allowances for travellers will also be considerably increased, as asked for by Parliament, to about 280 ECU?

In connection with the new instrument for foreign trade 16 directives in the area of the leading technologies discussed, were for a long time blocked for this reason. Have they been adopted or will they now be adopted at the same time as the adoption of the foreign trade instrument?

Mr Cheysson. — *(FR)* The problem of the allowance was indeed discussed. I am afraid that I cannot absolutely guarantee that this was on the basis of the 280 ECU mentioned by the Honourable Member, although that was roughly the figure. The exact figure is of course to be found in the corresponding directive. I am also happy to confirm to Parliament that when the decision to adopt the new instrument of commercial policy was taken, the decision to bring into force 15 directives removing technical obstacles within the common market was also confirmed — on this occasion unanimously. Two technical reservations were entered by two governments, but they undertook to withdraw them during the course of the week.

From the beginning of next week, therefore, the 15 directives will be applicable.

Mr Maher (L). — Would the President-in-Office of the Council not agree that the tortoise-like progress of the Council towards developing the internal market is due much more to the reluctance or indeed the refusal of governments to concede any further sovereignty to the European Community than to any trade policy problems, and at a time when the European Community is seriously short of resources through the budget, is it not clear that an opening up of the internal market would, in fact, make great savings in that budget?

Does the Council not recognize this?

Mr Cheysson. — *(FR)* I do not make a habit of this, but I am tempted to answer the Honourable Member's question with another question. Is it not rather remarkable that it should be during this period of crisis, with pressure from the unemployed in all our countries, that we should manage to adopt 15 directives eliminating technical obstacles? We did not manage it during the period of prosperity, but now we have at this time of crisis.

I have no hesitation in saying that the Community is continuing to make progress. It is making decidedly impressive progress in difficult areas. On Monday we had a meeting with the seven countries of the European Free Trade Association, the first ministerial meeting since these agreements were signed, to establish that these agreements are now fully accepted, that we have succeeded, at this time of crisis and difficulties, in creating the biggest free-trade area in the history of the world, an area accounting for 25% of world trade. In the circumstances I find that this Community, which is the butt of so much criticism and is said to be ineffectual, is currently giving an example of what can be achieved when one believes, as we all believe, that the rules of free trade are an essential factor in the development of each of our countries.

(Applause)

Mr Welsh (ED). — I am sure that we all agree that for the Council to agree on anything is a matter for congratulation. But, of course, there are another seven directives which are currently blocked in addition to the 15. They are held up because of the failure of the Member States to agree about third country certification. So could Mr Cheysson justify his admirable sentiments and give us an assurance that the French Presidency will put these other seven directives to the Council and that, if necessary, they will also be passed by a qualified majority?

Mr Cheysson. — *(FR)* The Treaty calls for unanimity on these matters. That said, I confirm that 7 directives are indeed still under consideration. Well, the day before yesterday there were 22, and now there are only 7. That is progress.

President. — As the author is not present, Question No 57 will be answered in writing.¹

Since they deal with the same subject, I call Question No 60 by Mr Rogalla (H-321/83) which has been taken over by Mr Seeler:

Subject: Personal checks at internal Community frontiers

What is the Council's view of the Member States' contention that a number of arrests in sensitive areas (e.g. internal security, drugs, immigration policy, weapons, etc.) argues against the gradual abolition of personal checks at internal Community frontiers? Does the Council have statistics from the Member States, or its own data, which can be tested and weighed, for example, against the requisite manpower costs in each case and what are the results of such enquiries in comparison with data from the USA or the Nordic Passport Union?

¹ See Annex.

President

and Question No 61 by Mr Van Minnen (H-570/83):

Subject: Reduction of personal checks at frontiers.

How does the Council regard the noticeable increase in personal checks at the Dutch-Belgian frontier, which clearly conflicts with Council decisions aimed at reducing checks in connection with the introduction of the European passport?

Mr Cheysson, President-in-Office of the Council. — (FR) These questions are concerned with personal checks at frontiers, whereas we were talking earlier about checks on goods. The Commission has submitted a draft resolution on relaxation of these checks. The Council's deliberations, which have been conducted in the light, in particular, of the European Parliament's recommendations, have made enough progress for a draft to be submitted to the next Council meeting on general affairs, on 14 and 15 May 1984. It is true that, during the course of examination of this draft, arguments have been put forward along the lines indicated by Mr Rogalla on the subject of the contribution to security made by personal checks and other procedures, and indeed some of these arguments appear to have some foundation.

To Mr Van Minnen I would say that it is for the Member States, subject to the requirements of the Treaties and provisions introduced pursuant to them, to determine the extent of checks at their frontiers and the procedures according to which they are arranged. I would also say to Mr Van Minnen that although the introduction of a uniform passport is likely to facilitate travel by nationals of the Member States, the Resolution of 23 June 1981 does not impose strictness of checks at frontiers. This objective is being pursued through the draft resolution to which I referred at the beginning of my reply.

However, as I was saying in connection with checks on goods, there has been an important political development which should make it easier for us to deal with these matters along the lines proposed by the Commission. I refer to the clear position, the very clear position adopted at its meeting of 19 and 20 March by the European Council, which recommended the earliest possible decision on, I quote, 'decisive simplification of formalities at frontiers'. Several of the heads of delegation present in Brussels on 19 and 20 March laid great emphasis on this fact and, moreover, spoke in the same terms at the press conferences they held following the meeting. The General Affairs Council therefore has a clear brief for its meeting on 14 and 15 May.

Mr Seeler (S). — (DE) Mr President-in-Office of the Council, I assume that you agree with me that the success of the fight against international crime is not dependent on the continued existence of frontier controls. Precisely because the French Presidency of the Council has achieved so much progress in doing away with the various forms of frontier controls, I

would like to ask you whether you agree with me, that it is very important for the formation of a European consciousness, before the next direct elections in June, to reduce to a minimum the remaining controls on persons?

I am convinced, and I hope you are too, that there will always be objections to the doing away with frontier controls. Therefore I hope and would ask you whether under the French Presidency the will exists to override these objections and take a real step forward to a united Europe?

Mr Cheysson. — (FR) The President of the Council of Ministers would wish to be associated with what has just been said and the President of the Community made it clear that this was his position at the European Council meeting. Certainly, each of our services has reasons to advance, and these reasons are valid. Although it is true that checks at frontiers do not in themselves constitute an effective means of combating criminality, they do help. The same could be said of checks for drugs, checks for diseases, etc. However, our political will to show public opinion what Europe stands for must be impressed upon these services. To the European citizen, long queues at frontiers, formalities whose purpose he does not understand, differences in formalities from one frontier to another, with different documents, procedures which are sometimes difficult to grasp, these things seem to be fundamentally incompatible with the construction of Europe. Hence the brief which, I repeat, was given in categorical terms by the European Council at its meeting of 19 and 20 March to the effect that services are to be obliged, I repeat *obliged*, for political reasons, to simplify the formalities.

Mr Seal (S). — As the French Presidency has achieved so much during its term of office to ease travelling across internal frontiers, would the President-in-Office of the Council assure this House that he will continue to do all in his power to ensure that British citizens travelling within the Community on one-year holiday passports are not stopped at internal Community frontiers merely because they are coloured?

Mr Cheysson. — (FR) This is not a Community problem. I shall nevertheless reply, out of courtesy to the Honourable Member.

The problem is that mere travel agencies are issuing travel documents to people who are not, in our eyes, citizens of the United Kingdom, which is our neighbour. We do not consider it normal for such documents to be issued by private bodies.

Mr Herman (PPE). — (FR) Mr President, I suppose, in the light of the answer that you have just given to Mr Seeler, that you thoroughly disapprove the reply given to us by your staff about the way in which citizens undergo and accept checks. But, so that we may be left in no doubt, I should like to receive confirmation of your position.

Mr Cheysson. — (FR) With respect to the Honourable Member, I do not have all the replies made by my staff on all subjects at my fingertips, I therefore do not know to what he is referring.

Mr Herman (PPE). — (FR) Then I can read it out for you.

'Citizens undergoing checks at frontiers are fully aware of the reasons for such checks. There is accordingly no reason for anxiety over any negative reactions that they may have in this respect.'

Mr Cheysson. — (FR) There were occasions, before I became Minister for External Relations, when I myself was irritated by formalities at border crossings. I do not think that this is an unimportant matter.

Mr Sherlock (ED). — The translation came that the responsibility for travellers — I presume especially the coloured travellers who have been stopped — lies that of the company. Was that an error of translation or could the Minister clarify exactly whose responsibility he assumes it to be?

President. — I cannot state whether there was a mistake in translation. That would need a knowledge of languages which I do not possess. I can only state that the Danish translation was correct.

Mr Sherlock (ED). — I was not asking that you should be blessed with three ears though you have many other blessings.

(Laughter)

I was asking the Minister if it was an error in the translation of his opinion.

Mr Cheysson. — (FR) This is a bilateral problem, not a Community problem. Since I was imprudent enough to reply in my capacity as a French Minister, I confirm that the travel documents which can sometimes give rise to this difficulty between the British and French are issued by private bodies.

Mr Sherlock (ED). — The responsibility for an official national document can only reside with the nation issuing it and no one else at all; and companies, whether they be travel companies or whoever, have no part in this responsibility.

President. — Question No 62 by Mr Hutton (H-588/83):

Subject: Representation of the Council in Parliament

In view of the need for closer relations with Council and of Parliament's heavy work-load until May 1984, will the Council now agree to be represented at ministerial level on an additional day during each part-session?

Mr Cheysson, President-in-Office of the Council. — (FR) As the Council has already indicated to the Euro-

pean Parliament and in keeping with its wish to establish ever closer relations with Parliament, it would indeed be useful and appropriate for the Council to be represented and to intervene as the occasion arises during debates of particular importance. This has happened, as you will grant, on several occasions during the House's recent part-session. In the interests of efficient management, the Council has also suggested that the European Parliament could give the Council advance notice when it wishes it to be represented at such debates, so that a mutually agreed date for each such debate could be set when Parliament's Bureau meet to prepare draft agendas.

Mr Hutton (ED). — May I thank the President-in-Office of the Council very much indeed for the answer he has given. Can he confirm that we are indeed talking about the same thing on this occasion, namely, that the presidents of specialized Councils, not simply the President-in-Office, will attend specialized debates of Parliament in order to inform themselves better of the wishes of Parliament relating to the work of their particular Council?

Mr Cheysson. — (FR) The Honourable Member has understood my reply perfectly. Various of my colleagues have in fact attended debates on several occasions. I think that the President of the Agriculture Council has attended a debate here. I repeat what I said a moment ago: it is right that the Council should be represented at certain important debates, at ministerial level, in the person of its President. We would merely ask you to make it easier for us to make the necessary arrangements by setting the dates for such particularly important debates fairly well in advance and, if possible, by agreement with the Council of Ministers.

Sir Brandon Rhys Williams (ED). May we take the opportunity to say how much we appreciate the attendance of Mr Cheysson today and the assiduous way in which he does pay attention to Parliament's wishes, as indeed he did in an exemplary fashion, as a Commissioner. But may we also say that as Members of Parliament we would welcome a much better representation of the ministerial element in the work of our committees? We have long-established relationships with the Commission but a very patchy relationship with the Ministers because our committee work very often has to continue without ministerial assistance.

President. — Question No 63 by Sir James Scott-Hopkins (H-655/83):

Subject: USA imposition on stainless steel

Would the Council of Ministers state what progress has been made in recent talks between representatives of the EC and the USA regarding the USA's imposition of restrictions on the importing of special and stainless steels from the Community?

Mr Cheysson, President-in-Office of the Council. — (FR) Following the imposition by the United States in July 1983 of protectionist measures on imports of certain special steel products, measures which have caused considerable prejudice to producers in the Community, and following the breakdown of consultations with the United States on compensation, the Community unilaterally adopted compensatory measures under Article 19, paragraph 3 a), of the GATT. A list of these measures, as adopted by the Council, was notified to GATT on 15 January 1984. The measures came into effect on 1 March 1984. Despite the modest scale of these Community counter-measures, the United States still considered them excessive and called a special meeting of the GATT Council to complain about them. However, an open confrontation in GATT was avoided by bilateral consultations between the United States and the Community, although each party is adhering to its position on the principles involved.

Sir James Scott-Hopkins (ED). — Would not the President-in-Office of the Council accept that this is a most regrettable situation? And will he do his utmost to reopen negotiations with the United States on this matter? The one thing we do not want to enter into surely, is a form of trade war between the United States and the European Community?

Mr Cheysson. — (FR) The negotiations with the United States have not been discontinued. The Commission has played a particularly important role, as witness the number of journeys made by some Members of the Commission in connection with this question of special steels and also visits by American representatives to the Berlaymont, also on the same subject. Yes, we and our American partners have many topics which call for discussion. Sir James Scott-Hopkins has raised the subject of steel. There have been other problems. In some cases, as in that of wine, measures that we had been viewing with apprehension have been abandoned, or vetoed by the Administration, in other cases, initiatives from Members of the Congress are still under consideration, I believe, in connection with the Export Administration Act, and further negotiations are going to be necessary on stabilization of the level of imports of cereal substitutes. This subject will perhaps come up in connection with one of the questions. We are conducting permanent negotiations with Mr Brok, the American permanent delegate for trade, and various bodies in the United States.

Mr Balfe (S). — Does the President-in-Office accept that the steel industry in different European countries has been hit very differently, and that particularly in the United Kingdom the special and stainless steels sector has been severely hit not only by the world recession and the downturn in demand but also by

the ruthlessness of the present UK Government in refusing to introduce a proper steel policy such as has recently been introduced by the French Government, which does at least care about the steelworkers jobs? Will he initiate some discussions, if he can, within the Council in order to impress upon other Member States the common sense of having a rational approach to the need to keep Europe's steel industry intact and the valuable role the public authorities can play in this regard, rather than leaving everything to the free market?

Mr Cheysson. — (FR) Yes, we shall, to stress the importance that we attach to the work that has been done with a great deal of courage and the recommendations adopted by the Commission, or more accurately the coal and steel High Authority. Who can doubt that, had it not been for this concerted action carried out with great efficiency by the Commission, the steel crisis would be even more serious in most if not all of our countries?

Mr Welsh (ED). — The French steelworkers certainly do not share Mr Balfe's encomiums for the French steel policy, otherwise they would not have blocked my train on Monday.

However, my question to Mr Cheysson is this: the instrument that the Americans have used to keep out special steels bears a remarkable resemblance to the instrument that he has just told us, with a certain amount of self-congratulation, that we have just adopted. Could he explain to us how he thinks the adoption of the instrument will contribute to improving transatlantic relations, and how would he differentiate it from Section 301 of the US Trade Act, which we in this Parliament and the Council on many occasions have roundly condemned?

Mr Cheysson. — (FR) The European Economic Community is one of the greatest economic forces in the world, and the greatest trading force. It is therefore essential that it should have means of analysis, means of retaliation, such as its competitors, which are both its suppliers and its customers, already possess. Otherwise, there would of course be a temptation for others, whether on the other side of the Atlantic or in the Far East, to exploit any divisions between our people and the ideas of some of our governments that they can fare better than others by ploughing their own furrow. It was essential that we should have an effective common instrument of this type.

I would point out that it was in fact a process which developed under its own impetus, mainly in dealings with weaker countries than those to which I have just referred. The problem was therefore one of confirming the methods and practices, the powers that the Commission had won — and won in the front line — in difficult discussions. It was not an easy matter, as I have indicated, but now it has been

Cheysson

accomplished. The means at our disposal now match those of our industrialized partners. This will be a great help in preventing any anomalies in our relations with one or other of our partners from setting in on a lasting basis and turning into a crisis, as has sometimes been the case in the past.

Mr Eyraud (S). — *(FR)* The President-in-Office of the Council was referring just now to imports of cereal substitutes and I had put down a question which, given the time, will unfortunately not be taken, but I should nevertheless like to take the opportunity offered to say that, in my view, it would be possible to apply Article 28 of the GATT, under which the tariff concession on certain products can be suspended temporarily and partially. The volume of corn gluten imports is currently running at 3 million tonnes. Why, then, have we not yet applied this Article 28? What is the present position? Yesterday, the representative of the Commission told the Committee on Agriculture that the Commission was contemplating the application of a levy of 50 ECU per tonne over and above 3 million tonnes. Can the President-in-Office of the Council let us know what the position is? Is this information correct? If so, why the figure of 3 million tonnes? Why not a lower figure?

Mr Cheysson. — *(FR)* The Commission has asked the Council for authorization to open negotiations within GATT, under Article 28 as just mentioned by the Honourable Member, with all GATT signatories willing to take part.

This proposal was examined by the Council on 20 and 21 February, and then again on 12 and 13 March. It was eventually approved on 31 March. The Commission now has the authority that it needs. The manner in which it proposes to act on this authority must of course remain confidential. How can there be negotiations if one of the parties puts all its bargaining points, all its figures, on the table in advance? The other side would never do such a thing.

It is of interest, however, to note the reason why a number of governments held back from granting this authority until now. Some governments considered that we should be in a position to present a complete picture of our intentions when meeting our partners. As long as there was a substantial growth rate in Community milk production, was it fair, some of them asked, to propose the limitation of imports of feedingstuffs for the livestock producing that milk? On the other hand, once the Community has decided, with a great deal of courage, to limit milk production, which it has now done, it would be perfectly natural for us to ask those who are selling us animal feedingstuffs, corn gluten feed, not to increase their exports. This, then, is the basis on which the negotiations will proceed; everything is ready, the Commission has the authority that it needs. As I was saying earlier in another connection: yes, the Community is continuing to make progress and continuing to represent the collective will of the 10 European countries.

Mr Pearce (ED). — Mr President, I have two separate points of order. Firstly, will you permit me to condemn roundly the action which you have just taken in permitting Mr Eyraud to introduce Question No 80 on to the back of the question by Sir James Scott-Hopkins? This is a gross breach of procedures. These questions are put down in the order in which they are submitted. By permitting that supplementary question to be entered, you have totally broken the sequence and broken the rules. Will you permit me, Mr President, to condemn roundly that situation and to hope that this will never again be allowed to happen?

Secondly, Mr President, at an appropriate moment — either now or after Question No 88 — will you permit me to challenge the acceptability of Question No 89 by Mr Alavanos? That I wish to do and indeed intend to do at a moment that suits you.

President. — Mr Pearce, the President cannot know in advance what a supplementary question will contain. I assume that the fact that the President-in-Office of the Council answers it means that he regards it as correct to do so.

With regard to your other comment, we shall deal with the matter when we come to Question No 89.

We will now proceed to the Questions to the Foreign Ministers.

Question No 87 by Mr Israël (H-629/83):

Subject: Policy of the Ten towards the situation in Afghanistan

Have the 10 Foreign Ministers been able to reconsider the European Parliament's June 1982 resolution calling for recognition of the Afghan resistance as a legitimate national liberation force, and do they in the same spirit intend to express their support for the efforts made by the Pakistani Government in its indirect negotiations with the Kabul Government under the auspices of the UN to obtain successively: the complete withdrawal of the Soviet armed forces and civil and military advisers; self-determination for the Afghan people without any external interference; the international guaranteed definition of Afghanistan as a non-aligned State; the voluntary return of the refugees?

Mr Cheysson, President-in-Office of the Foreign Ministers. — *(FR)* Over the past four years, by their declaration and their vote in the United Nations, the Ten have supported the aspiration of the Afghan people to exercise their legitimate right to self-determination, an aspiration to which very clear expression has been given through the spontaneous resistance to the Soviet occupation. The Ten consider in the circumstances that the essential task is to promote a settlement meeting the wishes of the Afghan people, a

Cheysson

settlement comprising the withdrawal of foreign troops, the country's restoration to independent, non-aligned status, and the voluntary return home of the refugees.

The Ten are determined to support any constructive initiative along these lines. They welcome the efforts made in this connection by the United Nations Secretary-General, but regret that they have not yet led to a solution in keeping with the principles reaffirmed by an overwhelming majority of the United Nations General Assembly.

It was in order to make clear their deep concern at the persistence of this crisis and to stress the need for a political settlement of this conflict that the Ten published a declaration on 27 December last, and their position was restated by the European Council, on the occasion of its meeting on 19 and 20 March.

Mr Israël (DEP). — (FR) I thank the President-in-Office of the Council for his excellent and thoroughly reasoned answer.

Mr President, it is rumoured in my country that the President of the Republic intends to renew contact with the Soviet Union at the highest level.

Can you, Mr President, give the European Parliament an assurance that Afghanistan will be on the agenda for these consultations and that the efforts being made currently to achieve a peaceful settlement to this dispute will be supported by French diplomacy?

Mr Cheysson. — (FR) I have also heard this rumour in my country, which happens to be the same as Mr Israël's.

(Laughter)

That said, I do not think that the discussions that the President of the French Republic will be holding are a matter for the European Parliament. On the other hand, what is important — and this was discussed at length during the last meeting on political cooperation early this week — is that the Ten should keep one another informed about the contacts, the opportunities that they have for meetings with the Soviets, and several of my Community colleagues will be visiting Moscow and exchanging views with our Soviet colleagues over the weeks ahead. I can confirm that these planned meetings include one at the highest level, between the President of the French Republic and the First Secretary of the Communist Party of the Soviet Union.

Mr Balfe (S). — Does the President-in-Office realize that in supporting — to quote the question — 'the Afghan resistance as a legitimate national liberation force' we are supporting a force which in certain elements is supported by the Ayatollah Khomeini and which is backed by some people who have a human rights record which is worse than none? Can I ask that, in any contacts between this Community and the

Soviet Union, due regard is had to the problem posed on the southern frontiers of the Soviet Union and secondly to the enormous additional cost imposed on the Government of Pakistan by the actions of the West which have not been matched with cash to enable that Government of Pakistan to discharge its responsibilities?

Mr Cheysson. — (FR) The unanimous view of the Ten is certainly that every possible assistance must be given to the Government of Pakistan, to support Islamabad both in its quite extraordinary efforts on behalf of the refugees and in its determination to affirm Pakistan's independence. We are not failing in this duty and I see no contradiction between this and the support that is being given — both moral and material — to the Afghan resistance movement. Nor indeed do the Pakistanis appear to see any contradiction, since this is their policy.

(Applause)

Mr Van Miert (S). — (NL) I should like to ask Mr Cheysson what he thinks about the following. Before he was elected President, Mr Mitterrand advocated the recognition of the resistance movement in Afghanistan. Parliament then adopted a resolution based on the same principle. Is the French Presidency considering the possibility of recognizing at least that part of the resistance movement which can be described as democratic, thus giving it greater strength?

Mr Cheysson. — (FR) I do not know what is meant by the word 'recognized' in this context. The resolutions to which I have referred give every possible support to those who are expressing the Afghan people's nationalism, their determination to be non-aligned. I do not see what more can be done from the legal viewpoint.

President. — Question No 88 by Mr Papaefstratiou (H-672/83):

Subject: Creation of nuclear-free zone in the Balkans

Does the Greek Pasok Government's initiative for the creation of a nuclear-free zone in the Balkans fit into the framework of political cooperation between the EEC Member States, and what is the Foreign Ministers' view of this matter?

Mr Cheysson, President-in-Office of the Foreign Ministers. — (FR) The subject of nuclear-free zones is discussed in the framework of political cooperation among the Ten, from the angle of the proceedings of the United Nations General Assembly. At each of its meetings, the General Assembly votes on various resolutions which are examined in the framework of cooperation among the Ten: on the Middle East, South and South-East Asia, Africa and Latin America, for instance, but also a proposal on nuclear-free corridors in Central Europe, the Palme proposal.

Cheysson

An overall study on these various subjects is in fact in progress at the United Nations; among the government experts taking part, three are from Member States.

More specifically on the subject of the creation of a nuclear-free zone in the Balkans, it has to be said that there are strongly held divergent views among the Ten on the subject of the proposal presented by Romania in September 1957, then by Bulgaria in October 1981 and most recently by Greece on 14 May 1983,

Mr Papaefstratiou (PPE). — (*GR*) I would like the President-in-Office of the Council of Ministers to explain to us clearly his views on this matter. We are familiar with the statement in which, a few months ago, he censured this initiative by the Greek Government, as also did other Foreign Ministers of the EEC's Member States, on the grounds that initiatives of that kind destabilize the political cooperation between EEC countries and undermine the political unity of Western Europe. Besides, it is well known that, one way or another, Soviet missiles can reach the Balkans from Soviet territory in very little time. What, please are the Minister's views on this?

Mr Cheysson. — (*FR*) The President-in-Office cannot have an opinion on this subject, since, as I have just said, there are strongly held divergent views among the Ten. However, it is open to the President-in-Office to quote a member of the Council of Ministers, the French Minister for External Relations, who stated in a speech delivered in Stockholm on 17 January that, in the strategic conditions currently obtaining in the northern hemisphere, plans for nuclear-free or limited disengagement zones have no significant reality. I of course leave the French Minister for External Relations to carry full responsibility for expressing this opinion.

(*Smiles*)

Sir James Scott-Hopkins (ED). — Will the President-in-Office of the Council congratulate the French Foreign Minister on his speech in Stockholm. It made a great deal of sense. But will he not also accept that these efforts by the Government of Greece are yet another attempt to destabilize and weaken the Western alliance, particularly at this crucial moment when relations are strained between East and West?

Mr Cheysson. — (*FR*) The President-in-Office cannot of course associate himself with such a declaration, which the French Minister for External Relations in fact never made.

Mr Plaskovitis (S). — (*GR*) Mr President, since so far as I know no decision, either positive or negative, has ever been taken within the scope of political cooperation concerning the deployment of Pershing and Cruise missiles in the Community's countries, is it or is it not a matter for the absolute sovereignty of each State to propose measures and actions that, in its

opinion, will favour détente and peace in Europe? I would like the Foreign Minister's opinion about this.

Mr Cheysson. — (*FR*) When meeting in political cooperation, the Ten has no decision-making capacity. This is not purpose of political cooperation, which is to endeavour to harmonize the positions of all the Member States. On the particular subject raised — deployment of medium-range missiles in response to the Soviet missiles — no attempt has been made in the context of political cooperation to harmonize the positions of the Ten. It is true that a number of the Ten meet in other forums, where they have expressed common views. Eight of the Ten have indeed taken formal decisions on this subject, through their participation in the integrated system of the Atlantic Alliance. However, the Ten have not discussed this subject with a view to establishing a common position.

Mr Pöttering (PPE). — (*DE*) Mr President-in-Office of the Council, I find your statement concerning the nuclear-free zone in the Balkans and on nuclear-free zones in general very encouraging. Will the Council be continuing its efforts with the Greek Government to suggest to it, as I think correctly, the opinion represented by the Council and to convince that government that it is essential that the superpowers, that is to say the USSR and the USA, must disarm at the same time and to the same extent, and that this is the alternative and not an nuclear-free zone in the Balkans?

Mr Cheysson. — (*FR*) This is a serious subject. I should therefore be very surprised if it were not a constant topic of discussion among the Ten when they meet in political cooperation. Clearly, when they do discuss it, they will each be trying to persuade the others that their view is the correct one.

President. — With regard to Question No 89, Mr Alavanos is not present.

Mr Pearce (ED). — I would like to submit to you as a point of order that just as *we* are bound by the Rules of Procedure of this House, so is the person occupying the chair where you sit. You denied me my right, under Rules 82 and 83, to make a point of order some time ago and I believe in doing that you, yourself, Mr President, were not following the rules. Moreover, in accepting Mr Eyraud's supplementary question, which he told you was in relation to a question further down the list, you permitted a breach to take place of the agreement that questions would be answered in the order in which they were submitted. I hope, Mr President, that this matter can be looked at.

As regards Question 89, the fact that Mr Alavanos has withdrawn this question does not detract from what I wish to say. Rule 44 makes it very clear that questions should not contain assertions or opinions. Now I accept that there is a problem as regards oral ques-

Pearce

tions with debate that are converted into questions for Question Time. You have referred to that problem yourself earlier. This question, No 89, contains a number of assertions of a highly opinionated and, indeed, none too courteous nature. I would say that the staff to your right and left — or whoever it is — are derelict in their duty in ever allowing that question to be printed in the list of questions. Various occupants of your Chair have made it crystal clear, time and time again, that the provisions of Rule 44 excluding assertions and opinions must be followed and I would like to have an explanation from you as to why the staff under your control have not done what they have been expressly told to do. Will you also give, yet again, a clear-cut statement that, in future, the provisions of Rule 44 will be followed and that you will tell the staff that they are to obey the Rules of Procedure of this House and not print questions which are in breach of those rules. I hope you will give me those two assurances.

President. — Mr Pearce, the question will not be dealt with today. It is regrettable that this has occurred but it is something which took place long before this part-session.

Mr Eyraud (S). — (*FR*) Mr President, having been impugned personally by Mr Pearce, I would say to him that he is questioning my motives, just as he is questioning your own, in your application of the Rules of Procedure. In fact, the question that I put to the President-in-Office was quite directly related to the question on steel, since these matters are of a piece in the discussions with the United States. I do not think that we can be criticized for bringing cereal substitutes into a discussion on negotiations with the United States. And there was a perfectly logical link between Question No 80 and the question on steel.

President. — I would like to apologize to the President-in-Office of the Council for the fact that we have run out of time because of these points of order.

Mr Plaskovitis (S). — (*GR*) Mr President, I am clearly not qualified to replace Mr Alavanos who withdrew his question. I asked to speak immediately after Mr Pearce and I want to ask whether Rule 44 of the Rules of Procedure is subject to interpretation by the Conservative Members and whether Mr Pearce is qualified to interpret it and to pass judgment on the way in which Members who do not belong to his group put their questions.

President. — Your remarks will be forwarded to the Bureau and to the President of the Bureau, Mr Dankert. As I understand it the Rules of Procedure are quite clear the President is responsible for the conduct of Question Time and it is he who decides whether or not a question can be put and whether it is a question or a supplementary question. However,

we proceed on the assumption that Members themselves can judge whether or not it is a supplementary question. If it is not the case, the President will object.

Question Time is concluded.¹

12. Zimbabwe

President. — The next item is the report (Doc. 1-1529/83) by Sir James Scott-Hopkins on behalf of the Political Affairs Committee, on the economic and political situation in Zimbabwe.

Sir James Scott-Hopkins (ED), rapporteur. — Mr President, it is a pity in a way that this report has taken so long to come before the House, because things move very quickly in Africa, as you know, and a lot of the things which are in the report are liable to be out of date if one has to wait six months in order to get it onto the floor. Nevertheless, I am glad it has at last come before the House for consideration.

Zimbabwe is in many ways a very sad place at the moment to go and visit. It has an enormous potential, and yet, unhappily, there is very little realization of that potential. Let me quickly outline the main points, for in five minutes I cannot do more than that and I hope that honourable Members will do me the courtesy of reading the explanatory statement which covers the many points that I shall not be able to raise now.

To turn first to the economy, there is little doubt that there are enormously grave problems depressing the country's economic growth. Indeed, the drop between two years ago — the years just after independence in 1979 — and 1983 has been absolutely dramatic, from a growth in the GNP of 15%, to, unhappily, a minus figure of probably 3 in 1983. Therefore, the whole situation is very dramatic in Zimbabwe. There is a chronic lack of foreign currency and that lack, of course, immediately inhibits the imports which are so necessary to the Zimbabwean economy. They are restricted, and it is the government that has to lay down the priorities. There is also a great lack of investment from overseas and little, if any, modernization is taking place at the moment, as a result.

I am going to depart from my theme, Mr President, for one moment. It is regrettable that during a debate on a report presented by the Political Affairs Committee the President of Parliament should have allowed the Political Affairs Committee to hold a meeting, and I see the Foreign Minister of France just moving off to go down and talk to that committee. That, I think, is regrettable, and I hope, Mr President, you will do the best you can to see that it does not happen again, I am however, very grateful to Mr Pisani, the Commissioner, for being here and paying attention to what is being said.

¹ See Annex II.

Scott-Hopkins

To return to my subject, I was enumerating features of the economic situation in Zimbabwe: the lack of investment and the lack of foreign exchange, also the great fall which has taken place over the last year or so in the world prices for minerals, which has catastrophically affected the mineral industry in Zimbabwe, and at the same time the drought, now in its third year, which is having a disastrous effect on some parts of Zimbabwe, particularly the south-west.

I should like to make two further quick points. The first is that the problems I have mentioned are greatly aggravated by the exodus of white people — not because they are white, but because they are the middle management and the trained technicians as well. As a result, because middle management in industry is unhappily lacking, the decisions of government are incredibly slow in being taken. At the same time, because the technicians have gone as well, things like repairing the electricity supply when it breaks down take endless time. There was an appeal for ex-patriates to go back, but that has not been successful. I think we have got to do everything we can — and I hope the Commissioner will bear this in mind — to help train these needed technicians and the needed middle management just as soon as we can and so, perhaps, replace what is obviously lacking there.

My second point concerns the situation in Matebeleland, where there has been great unrest and great instability and violence. The Fifth Brigade has had to be called in there yet again, after having been taken out quite recently. There are stories of all kinds of atrocities taking place in Matebeleland. There has been talk of death camps being found, much the same as the ones which were found recently and which undoubtedly were used during the Smith régime. I think the situation in south-west Zimbabwe, particularly in Matebeleland, is grave and will, I hope, soon be resolved. I do not know whether it can be, but it has led to a great deal of political instability and a great many problems. I hope that something can be done very soon. I think we need to turn our thoughts to what we can do as a Community.

Of course, there is still one better aspect, and that concerns tobacco. The production of tobacco is not affected by the drought, but exports of tobacco into the Community, — have been held up, Mr Pisani — I suspect for the reason that the Italian Government is objecting to it. In point of fact, Zimbabwean tobacco is complementary to Italian tobacco and in no way in competition with it. It is really essential for the Zimbabwean economy that there should be no restriction of tobacco imports into the Community.

Finally, Mr President, when I was out there I met some of the staff of the Community. They are doing a tremendous job in administering aid and helping the situation there as much as they possibly can. What is sad about it is that there are only two Community offi-

cial: the other two are not Community workers, but are there under the EAC, which means they have no pension rights and no promotion rights. I sincerely hope that this situation will be put right and that they will all be made Community officials.

To conclude what is very unsatisfactory opening to this debate, Zimbabwe has a great deal to offer. As long as it stays on the constitutional line and the Prime Minister does not try to make a one-party State, which his ministers say he will not, then there is the chance of a peaceful political development. But it is going to need a great deal of help from this Community, both in food aid and in technical aid. I hope we shall have the courage and the money and the ability to provide it.

IN THE CHAIR: MR JAQUET

Vice-President

Mr Deschamps (PPE). — (*FR*) The Group of the European People's Party will be voting in favour of the report by Sir James Scott-Hopkins. It will be doing so for three main reasons. First, because it is an excellent report written by a man who knows and loves Africa, especially the country in question. Secondly, because it discusses its subject with a clear-sightedness, honesty and objectivity that we unfortunately do not find very often in reports of this type. Finally, because it contains a motion for a resolution which we are able to support wholeheartedly.

In this motion for a resolution, emphasis is laid on the things which stand to the credit of the Zimbabwean Government: an impressive effort in the development of education for all, successful integration of the armed forces and disarmament of guerrilla groups, the impartiality of the judiciary, a policy of reconciliation which, to all appearances, is being pursued with determination, although it is admittedly meeting with many difficulties.

However, this has not prevented the rapporteur from pointing out the weaknesses in the Government's action, some of which he has just mentioned: serious violations of human rights, especially in Matabeleland, detention without trial of many individuals, including Bishop Muzorewa. Nor does he fail to caution the Government against certain developments which could undo the progress achieved hitherto, especially a development which would bring an end to political and radical pluralism in parliament and government.

Sir James Scott-Hopkins rightly stresses this last point — rightly because it goes to the core, it affects the continued development of a prosperous, multiracial and democratic State, which is what we attach so much importance to in what is happening in Zimbabwe.

Everyone is aware that this policy, if successful, can be a decisive exemplary influence throughout Africa.

Deschamps

This is why the motion for a resolution does not confine itself to observing facts, making judgements and give giving advice. It calls for concrete action and positive attitudes on the part of our Community. Most important of all, it calls upon the Foreign Ministers meeting in political cooperation to invite the States of southern Africa, including the Republic of South Africa, to a round table conference to examine methods of bringing destabilizing activities to an end and securing the economic expansion of all States in southern Africa. This is indeed a necessary objective, and recent developments in this part of Africa give grounds for believing that this proposal could now bear fruit. We are deeply concerned to see a fair and reasonable solution, which is essential to the survival of the peoples in this part of the world. We therefore urge the House to approve the excellent report presented by Sir James Scott-Hopkins.

Mr Turner (ED). — Mr President, I believe that so far Zimbabwe has overcome greater political and social difficulties than any other country in the last four years. Despite all the criticisms — and Sir James Scott-Hopkins has referred to some of them — I think the achievement is truly remarkable. I also believe that most of the credit must go to its Prime Minister. Naturally there are great problems still and many groups in Zimbabwe are anxious for their political future.

I would like to read something from what the Prime Minister of Zimbabwe wrote earlier this year. He said he supported 'freedom to form or belong to political parties or trade unions or other associations for the protection of one's interests'. He said: 'I must make it clear that in view of our commitment to constitutional government we do not intend to tear up this or any other section of the constitution. We cannot amend this section without the support of all the members of the House of Assembly before April 18 1990. We shall amend our constitution only in the manner provided for in the constitution itself'.

Turning to the economic side, we in Europe can lessen the political tensions in Zimbabwe by helping economically — and we must help at once. The three-year drought, to which Sir James Scott-Hopkins drew attention, has been exceedingly serious. It has halved maize production, it has halved wheat production and the cost of replacing that lost cereal will be £100-200 m a year. A certain amount of aid has already been given, but more is definitely needed.

Secondly the Zimbabweans have a beef quota for export to the EEC which could well earn them £50 m a year, a substantial part of the money they need. At the moment they cannot do so because of foot-and-mouth disease, and the EEC is indeed taking steps to try and cure this. But, surely there must be some imaginative way that the Commissioner can think of, to cure this disease and solve the problem of the beef industry there *at once*. If he did that, he would at a

stroke produce almost half the money they need because of the drought they have suffered over the past three years. I am asking for his imagination to be applied, because I know he has got it. Think of an answer!

May I end by saying that practical help at this stage is the most that we can do. It is what is really needed most in order to solve the political problems of Zimbabwe.

Mr Irmer (L). — *(DE)* Mr President, when a country, which is associated with us under the Lomé Convention as Zimbabwe is, is in need, we have always felt as a European Community that we are obliged to help. In the case of Zimbabwe this however, has an additional, highly political, aspect. The Zimbabwe experiment of creating a multiracial society based on the reconciliation of contending parties, is central for the whole future in southern Africa. Should the Zimbabwe experiment fail the hopes of many millions of people in this region, that an example might be set for relations in the Republic of South Africa, will be dashed. If, on the other hand, this Zimbabwe experiment succeeds, then even the most reactionary within the Republic of South Africa could not say that it is impossible for blacks, whites and members of other races to live peaceably together or that in such a community even economic prosperity is impossible.

For South Africa the fact that Zimbabwe in the first years of its independence has operated so well has been the greatest challenge of the last decade. That is why South Africa has been so interested in endangering this experiment through destabilization. As Europeans we are called upon to take steps to avert the tragedy that it is not that this experiment is now being threatened by people inside the country no longer being prepared to hold fast to the principles of reconciliation and of a multiracial community, but that the threat to this experiment should be from outside circumstances, namely that through the effects of the world economic crisis and the drought of the century the economic projections which have been constructed there in such an exemplary way by sensible government policy have gone completely awry. I say sensible government policy and I am thinking for example of the fixing of producer prices in agricultural policy.

Everyone knows that in the first place it has been white farmers who have benefited from this. The exodus of the whites, which has been mentioned, is not just the result of the governments inability to control certain acts of terrorism but is essentially due to some stubborn whites simply not being prepared to accept that today the black majority is governing and that the rights of the minorities are being safeguarded. I have to say that I very much admire Mr Mugabe, of whom after his electoral victory in February 1980 it was said that he was an ideological Marxist-Leninist and would only bring disaster to the region. He is in

Irmer

the tradition of statesmen such as Nyerere and Kaunda, one of those who recognize quite pragmatically the signs of the times and who have seen that a multiracial society, must be created in Zimbabwe on the basis of mutual respect for individuals, thereby providing an example for the Republic of South Africa, first for the independence of Namibia, and then finally for the abolition of the apartheid system in South Africa itself.

Therefore, we must do all we can to help Zimbabwe in this difficult situation. What is at stake is not just a question of the creation of economically stable conditions, it is the question of the political future of the whole region in southern Africa.

Mr Enright (S). — Mr President, my group will certainly be supporting the excellent report by Sir James Scott-Hopkins, but there are a few slight, practical reservations that I would like to mention.

First of all, I have some concern about calling on the Foreign Ministers meeting in political cooperation to chair a conference with South Africa. That is not because I do not think South Africa should be brought to the negotiating table. Indeed, it should. And I think there are signs from Kenneth Kaunda among others, that this is perhaps happening in the area. But it could well give South Africa yet another excuse for postponing more positive developments in South-West Africa, for postponing the independence of Namibia. One very regularly feels that they grasp at every excuse to do so. Yet at this very moment we feel there is a possibility at least of independence being granted there and we would hate to see a situation arising similar to that which occurred in the case of Angola. That is principally the reservation that I would have about that.

The general tone of deploring what South Africa is doing in that region I do, of course, absolutely accept. Democracy is a very fragile plant indeed, be it in Zimbabwe, Portugal or Spain, and we must do all within our power to make this fragile plant grow into something strong and sturdy. That is something I think the Community has done since independence came along, and I think that the Commission has been particularly imaginative in its relationships with Zimbabwe, and particularly understanding what Mr Mugabe has done. I think he is — and here I echo the sentiments of other Members — a quite remarkable man. Had I been put into prison by Mr Smith for all that period of time and treated as inhumanely and inconsiderately as he was, then I do not quite know what I would have done with Mr Smith when I took control of the country. He has shown immense tolerance and immense concern for human rights, insofar as is possible in a new and burgeoning democracy. That democracy can, indeed, show the way for a multiracial society in Namibia, and this is something that we must all hope for.

May I also echo the sentiments of Mr Turner, particularly in relation to the exports and the assistance to exports which Sir James Scott-Hopkins mentions specifically in his recommendations. I think it is important that Zimbabwe be given a secure order for its sugar, beef and tobacco. It would cause not a ripple on the surface within the Community and would be a gesture very much appreciated in that country.

Finally I congratulate Sir James. We shall be supporting his report.

Mr d'Ormesson (PPE). — (*FR*) Mr President, with the Catholic bishops in Zimbabwe denouncing the genocide perpetrated by Robert Mugabe's Government against the Ndebele, Sir James Scott-Hopkins' report is timely. It is therefore regrettable that the rapporteur proposes to condemn, without quoting evidence, the alleged activities of South Africa in Zimbabwe, since his report is about the latter country, and is also discreet in the treatment given in his motion for a resolution to the subject of violations of human rights in Matabeleland. But I pay tribute to Sir James Scott-Hopkins for having recognized the facts in his speech.

I nevertheless consider it appropriate to remind the House of the statements made by Father John Could, who comes from Great Britain, concerning the activities of Mr Mugabe's police at the Kaisy detention camp, 90 kilometres from Bulawayo. According to eyewitness reports given to this cleric, some 3 000 detainees there are beaten and whipped daily. They are allowed food and water only every other day and are frequently subjected to torture by electric shock treatment. On 5 February, eight prisoners at Donkwe-Donkwe were made to dig their own graves before being shot. In another incident in the same area and on the same day, 13 people, including three primary school teachers, were thrown into a well and blown up with hand grenades. And there is, alas, a long list of other crimes.

It is also to be regretted that the motion for a resolution goes no further than expressing concern at the detention without trial of many individuals, including Bishop Muzorewa. What is required is a demand in the strongest terms for the release of this Bishop who has been imprisoned for his religious and political opinions. In Brazzaville, at the meeting of the ACP-EEC Joint Committee, a resolution was passed calling strongly for the release of Mr Mandela, who is in prison in South Africa for his terrorist activities as leader of the ANC, an organization which has now been banned in Mozambique by Mr Machel himself. The European Parliament would command more attention, in my view, if it had the courage to demonstrate to public opinion that it deplors all crimes wherever they may be committed and all criminals whoever they may be.

(*Applause*)

Mr Pisani, Member of the Commission. — (FR) Zimbabwe is a place of contradictions.

There is a contradiction between a prosperous agricultural economy, which is traditionally advanced and an example to the rest of Africa, and the climatic conditions currently prevailing. There is a contradiction between the need to persuade white farmers to remain and the need for black farmers to establish themselves. There is a contradiction between the Zimbabwean Government's commitment to peace and the external pressures to which it is sometimes subjected. There is a contradiction between the trend among white managers to leave the country and its increasing need to achieve development with its own resources. There is a contradiction between the proclaimed intention of establishing an open political system and the spread of violent incidents up and down the country with which the Government is having to cope. There is also a contradiction between the political theory which Mr Mugabe and his friends were proclaiming at the outset and the infinitely more moderate course that he has been following in practice since he came to power.

The European Economic Community has decided to aid this contradictory country which is beset with dangers. It has decided to do so because this country is a driving force in the region to which it belongs, and because it is endeavouring to build a multiracial society which, if successful, would give many of its neighbours an example to follow and hope for the future.

How is the European Economic Community seeking to aid Zimbabwe in the difficult circumstances that it has to face? First, by means of emergency aid and food aid. I think I can say that the Community has very often been congratulated on the speed with which its emergency aid reaches its destination. In the case of food aid, the quotas allocated to meet an exceptional situation have been increasing all the time, and will be increased further if circumstances demand.

The European Economic Community, aids Zimbabwe under the Lomé Convention, with the national projects that it finances, particularly, those to help black farmers establish themselves, but also through projects and training, special mention of which was made by the rapporteur, Mr Scott-Hopkins. It also helps by supporting the SADCC, the regional body working for complementarity and joint action, for which it is by far the largest source of assistance. Finally, it aids Zimbabwe in the trade sector, in connection with which I should like to give a number of replies.

Zimbabwean tobacco will continue to be admitted into the European Economic Community and, despite certain problems, it will not be subject to any duty.

As regards sugar, the quota which was allocated under the sugar agreement will be adhered to, as long as

Zimbabwe is able to fulfil it. Zimbabwe has submitted a request for an increase in its quota; this will depend largely on other ACP countries' ability to fill their own quotas. If quotas are surrendered, a redistribution will be arranged.

With regard to the problem of beef and veal, we cannot be other than extremely strict over the admission of meat to European territory, when the meat in question comes from herds affected by diseases which we have brought under control and intend to keep out, but the European Economic Community has made very energetic efforts to combat endemic diseases affecting cattle in this part of the world and indeed throughout Africa. It is our sincere hope that, like Botswana, Zimbabwe will soon succeed in bringing foot-and-mouth disease under control so that it will once again have access to the European beef and veal market, despite the structural surpluses on our markets.

I should like to conclude on a political note. In my view, the European Economic Community has consistently demonstrated its support for Zimbabwe. It will continue to do so and it will continue to tell the Government of Zimbabwe of the concern that it feels at certain decisions and certain actions. However, in order to make a political judgment of the situation in a country like Zimbabwe, I think that it is necessary to distinguish between the Government's general stance and the positions that it takes up when combating a thoroughly abnormal situation in a particular region. I can also say that a decision has just been taken to alleviate the conditions which led to the definition of a state of siege in one region of the country. It would seem that improvements are under way in those regions which have hitherto been most threatened.

On the subject of the Zimbabwean political leader who is said to have been pursuing activities representing a danger to State security and is currently in prison, I agree with the judgment that has been made regarding the independence of Zimbabwe's judicial system; since this case has been referred to the judiciary, I take the view that it is now solely responsible for it and that it would be indiscreet to intervene.

I should like to close these comments, Mr President, by telling Mr Scott-Hopkins how much we appreciated his report and how much we hope that it will be adopted.

(Applause)

Sir James Scott-Hopkins (ED), rapporteur. — I hate to do this, Mr President, on a point of order, but really I think I must. There are 14 amendments down to my report. Not one of the authors of the amendments has put any arguments forward at all. I have no idea why they put these amendments down; there have been no arguments at all. May I suggest, therefore, as they have not been moved at all, nor argu-

Scott-Hopkins

ments put that I can rebut or agree with, that they be totally withdrawn and that the House should not vote on them.

President. — The Rules do not require that questions should be justified. They have been tabled ; therefore they will be put to the vote.

The debate is closed.

The vote will be taken at the next voting time.

Mr Pearce (ED). — A simple point of order, Mr President. I would like to point out to you that there is a discrepancy in the letters attributed to the preambular paragraphs in that the English text and the French text are different. I hope that can be taken into account when we come to vote.

13. Horn of Africa

President. — The next item is the report (Doc. 1-1532/83) by Mr Ripa di Meana, on behalf of the Political Affairs Committee, on the Horn of Africa.

Mr Ripa di Meana (S), rapporteur. — (IT) Mr President, this is the first time that the European Parliament has concerned itself with the Horn of Africa. I should like to thank all those who have helped me in this work — members of Parliament, scholars, diplomats, specialized institutes such as IPALMO and, in particular, the research and documentation department of this Parliament, with the intelligent and expert help of Mr Saverio Solari.

The region is of prime strategic importance, as a base for controlling the Straits of Bab el Mandeb, the Indian Ocean and the oil routes to and from the Persian Gulf.

This region has been the scene in the past of conflicts — and they are still taking place today — that cause terrible suffering to the population.

Moreover, these local conflicts, because they engage the interest of the great powers, tend to become a breeding ground of international tension.

The fact that no prospects of an early peaceful solution are in sight is yet another source of concern.

The main problems are internal, ethnic ones. The Eritrean question has led to a 20 years' war between the central government in Addis Abeba and the various Eritrean liberation fronts. As regards the Tigreans, the Addis Abeba government is faced by a rebel movement which is claiming a large measure of autonomy. With regard to Ogaden, this region of Ethiopia has been the subject of Somali territorial claims, particularly in the past, and these resulted in open conflict between Ethiopia and Somalia in 1977 and 1978. With regard to strategic and military problems, and activity by the major powers in the region, the presence of the Soviet Union, first in Somalia and now in Ethiopia, brought about the militarization of

the region, with the establishment of a United States presence in Somalia and Kenya, and a strengthening of the French force in Djibouti. With regard to the refugee problem, all of the region and also the adjoining Sudan are affected by the problem of refugee camps set up to cope with the large-scale migrations of population following the Ethiopia-Eritrea and Somalia-Eritrea conflicts. With regard to the problem of underdevelopment and famine, this is perhaps the largest long-term problem to be dealt with, particularly in Ethiopia, but also in Somalia and Djibouti. These countries are faced with the problems of arid land, much of it unfit for cultivation, and severe recurrent drought. And finally, with regard to the question of the increase in population, over the 10-year period 1970-1980 this has been extremely high for all the countries in the region — Ethiopia, 2 % ; Somalia 2.8 % ; Djibouti 8.6 % ; Sudan 3.1 % ; and Kenya 4.5 % . This increase in population threatens to nullify the aid which the European Community and other international sources are supplying to those countries.

Before dealing with the main points of the resolution which it is my honour to present on behalf of the Political Affairs Committee, which approved it unanimously, I wish to report the serious pressure exerted by the Ethiopian Government in order to prevent the adoption of this report by the Political Affairs Committee.

Both verbal and written pressure has been brought to bear on the President of the European Council, on the Chairman of the Political Affairs Committee of this Parliament, on the Italian Government — by both the Ethiopian Ambassador in Brussels and the Ethiopian Foreign Minister, and also by the European department of that same foreign ministry and by the two Ethiopian ambassadors, who turned up here in Strasbourg yesterday to do a bit of clumsy lobbying. Such action is an intolerable interference in our work, in the work of a sovereign Parliament. This is a free Parliament. It is interested in having information about the facts, but it will never consent to have its hand forced. The report is a balanced one, constructed from information from various sources, accurately sifted.

In view of the shortage of time at my disposal, I will now deal with what appear to me to be the key points in the resolution.

The Political Affairs Committee calls for Community action on the following lines : it calls on the Community to adopt a common standpoint on the problems of the Horn of Africa, taking all such initiatives as may contribute to a solution of the conflicts and the re-establishment of friendly relations between the different States and ethnic groups within the region.

The Community must do all in its power to persuade the governments of the region to find peaceful solutions to their territorial and ethnic differences. In parti-

Ripa di Meana

cular the Community should bring all possible pressure to bear on the Ethiopian Government to find a peaceful and negotiated solution of the conflict between it and the Eritrean resistance, without prejudice to the fact that the Community is opposed to any dismembering of the State of Ethiopia, and any solution must be based on the principle made sacred by the Organization for African Unity — namely, the integrity of frontiers.

To deal with the refugee tragedy, the European Community, in consultation with the United Nations High Commissioner for Refugees, should take effective measures to solve the refugee problem in the region, in accordance with the proposals of the European Parliamentary delegation of June 1983 led by Mr Poniatoski; and it must also maintain and increase food aid to the States in the region, including the Sudan, and the population of Eritrea and Tigre.

Finally, the European Community must do everything in its power to bring about a tripartite agreement between Ethiopia, Somalia and the United Nations High Commission for Refugees, for the voluntary repatriation of Ethiopian refugees in Somalia.

Mr Poniatoski, draftsman of the opinion of the Committee on Development and Cooperation. — (FR) Mr President, the Committee on Development and Cooperation unanimously adopted the general finding of its enlarged bureau, which visited the countries of the Horn of Africa last summer. These findings revolve around three considerations.

The first is concerned with the need for Community aid in one of the poorest regions in the world — 140 dollars per head annually — which is beleaguered both by natural catastrophes and by political and military conflicts. The scale of the latter has been clearly outlined in the report by Mr Ripa di Meana. These countries currently depend for their survival on international aid and aid from the Community in particular. The persistent and repeated allegations that this aid is being misappropriated by the countries in the Horn of Africa, especially Ethiopia, were not borne out by what the European Parliament delegation found in the field.

The Parliamentary delegation visited a number of affected regions, spoke with local leaders and representatives of international organizations, including the High Commission for Refugees, the World Food Programme and the UNDP, as well as members of non-governmental organizations in the field.

These various checks and contacts indicated that aid is generally distributed and used correctly in the countries of the Horn of Africa. This is not to say that it is out of the question that there are any cases of misappropriation. To take Ethiopia for instance, this is a country twice the size of France and it would obviously have been impossible for any delegation to visit

all the regions affected and check everything. If there are such cases, however, they are on a limited scale, as limited as in the other countries receiving aid, whether outside the Community or in the Community, where appropriations from the EAGGF, the ERDF or the Social Fund are concerned. There is little evidence on which to single out Ethiopia for special criticism.

The second consideration is concerned with the problem of refugees, which is especially tragic not only by reason of the numbers involved — over 750 000 — but also because of the political threat represented by the persistence of this situation.

Our delegation considers that the Community should promote the conclusion of an agreement between Ethiopia and Somalia, under the supervision of the High Commission for Refugees, making provision for the repatriation of refugees on a strictly voluntary basis, a guarantee from Ethiopia of the safety of those repatriated, to be monitored by the High Commission for Refugees, the NGOs, and in particular the Red Cross, and contributions towards the cost of this repatriation and resettlement operation from the European Community and the international community.

The conclusion of such an agreement would be a substantial first step towards the very necessary normalization of relations between Ethiopia and Somalia.

Mr President, when visiting all these refugee camps I was reminded of visits made 30 years ago to Palestinian camps and formed the impression that I was witnessing an irresistible process leading to the same phenomenon and the same problem. I said as much to Mr Siad Barre, the Somali Head of State, and Mr Mengistu, the Ethiopian Head of State, and was at pains to draw their attention to the danger that was building up for both countries as a result of this refugee situation. They both seemed to heed this line of argument.

The third consideration is concerned with the problems arising out of the tensions between the ethnic groups and nationalities making up the populations of the Horn of Africa. The Community would be wrong, in all probability, and would perhaps have everything to lose if it were to take sides in the dispute, not only for reasons associated with the principle of not interfering in the internal affairs of foreign States but also because the primary role of the Community is to provide humanitarian aid, not to act out geopolitical preferences.

Such an impartial attitude will put it in a better position than others when the time comes to play a part in the restoration of stability and peace in this region.

Mr Deschamps (PPE). — (FR) Mr President, we shall be voting for the motion for a resolution presented in the report by Mr Ripa di Meana. In so

Deschamps

doing, we may be incurring the displeasure of Ethiopia, which probably finds that this report treats it too harshly, and of those who find this report too soft and would have wished to amend it to make it more severe in its treatment of the Ethiopian Government.

But the very fact that we give cause for dissatisfaction in both those quarters should encourage us in our belief that this report, while it admittedly has its faults, deserves our support. The motion for a resolution contains a series of factual observations which I do not think can be challenged by anyone, for instance those on the existence of disputes between the Ethiopian Government and its neighbours and some sections of its own population, on the presence in the region of many — too many — refugees, on the presence also of Soviet or Cuban troops and East German and other advisers.

Nor can anyone deny that there is a link between these disputes, this instability, this tragic plight of the refugees and the presence of troops and advisers in the service of one of the world's great powers.

I therefore fail to see on what basis the Ethiopian Government or those who claim to be its friends could consider it inappropriate, or even injurious or dangerous to pass a resolution which calls for a peaceful solution to the disputes, a just solution to the refugee problem which respects human rights, effective aid for peoples whose survival is in jeopardy, a resolution which calls for the withdrawal of Soviet and other troops from the Horn of Africa so that conditions more favourable to such solutions can be established.

Mr President, ladies and gentlemen, I know that the mood of many African leaders is currently changing. I know that certain governments are giving thought to their past options and their future options. I think I am right in saying that the Ethiopian Government is among them. Visits to Moscow can, I believe, be instructive to intelligent people who have the true interests of their peoples at heart.

I therefore find that this motion for a resolution is respectful of and conducive to such freedom of thinking. We shall therefore be voting for it, in the hope that it will help to restore peace in this very important part of Africa and the world.

Mr Pearce (ED). — Mr President, I am speaking on my own behalf and not on behalf of my group. We are speaking about a country which I have visited twice. This report sets out in general to criticize the government of Ethiopia. I am surprised that the rapporteur did not go there. He was invited but did not go. Other members of his committee were invited but did not go. The report takes very little notice of the comments of the Committee on Development and Cooperation in its opinion. With regard to Mr Ripa di Meana's comments on the activities of the

Ethiopian Government and officials, I think it is quite reasonable that they should seek to put their view forward just as other representatives of any other country are entitled to do.

I have no brief for supporting the Ethiopian Government, and I am certainly not against the government of Somalia. Both are countries I hope we can have good relations with. But I believe that this report fails actually to see our true interests and just tries to interfere in another country.

Our interest lies in trade with and investment in Ethiopia, in peace in the region, and in getting the Russians, Cubans, etc. out of that area. Yet, what does the report do? It appears to advocate dismemberment of the country which is quite contrary to the whole of the way that Africa has operated in this post-colonial period. It contains errors. It is not true that Ethiopia was the aggressor in the Ogaden. It is not true that Ethiopia has bad relations with Kenya, as suggested in the report. It is not true that there is forced repatriation of refugees. And as for references to the royal family and the United Nations decision of 1950, I suppose you quote that you would want to bring the royal family back: a royal family which, I would add, as some people say, dragged Ethiopia into the twelfth century — not people I want to see back.

I urge rejection of this report because it fails to see our true interests, and I believe that we should try to draw Ethiopia alongside us on a path of friendship. That way we will get what we really want: peace in the region, trade and investment with that country, and get the East bloc people out.

Mr Pisani, Member of the Commission. — (FR) The only role that the European Economic Community can play in this extremely important region is a mediating role. If it is able to play this role, it is a positive one in as much as it is able, by strengthening its relationships, suggesting positions, observing neutrality, to bring countries which are hostile to one another by reasons of their geography and history to the point of being able to accept one another. The Commission for its part refrains from delivering judgements on any governments and regrets that the report by Mr Ripa di Meana has not been kept in its original form but now incorporates a number of amendments which make judgements at the risk of throwing an otherwise interesting document out of balance.

I should now like to discuss two problems: the problem of the refugees and that of food aid, referring to the question put by Mr Vandemeulebroucke. On the subject of the refugees, I agree entirely with the approach adopted by Mr Poniowski. I have to report that the President of the Council of Ministers has asked the Commission to look into new ideas which could be brought to bear on this problem so as to ensure an acceptable solution. I agree with the

Pisani

analysis that has been made of the risk that we run of seeing these refugee camps develop into real tumours, with all the side-effects which history has shown us are to be expected if these camps remain in place for too long. We are trying to see how a new Community instrument can be devised, one which would be designed not only for aid to refugees in transit but also for their resettlement, not as refugees, but as sedentary populations.

In this connection, I intend to forward a number of proposals to the Council of Ministers, and therefore to the Parliament as well, with a view to establishing the extent to which action along these lines would be possible.

With apologies for backtracking, I should like to mention a couple of points in the report by Mr Ripa di Meana which are of great importance politically: on the one hand, integrity of the frontiers as endorsed by the Organization of African Unity and, on the other hand, the suggestion, made a very long time ago, of a system of internal government in Ethiopia giving this country's specific, original regions an administrative status enabling them to express their originality.

I should now like to discuss the problem of food aid and the criticism that has been made.

I recall a debate which took place in this very Chamber on a spectacular and unacceptable diversion of aid, when the myth had been created that food aid sent by the Community had not even reached Ethiopian soil but had been transferred from one ship from Western Europe to another on its way to Soviet Russia. On that occasion, I think, we made short work of accusations which were imaginary and far-fetched, not to say blatantly inspired by ulterior motives.

I should like to deal with a more specific problem. Honourable Members have indicated that to their knowledge — and they have produced a letter — food aid intended for Ethiopia had been diverted from its proper purpose.

Acting on the assumption that this letter was authentic, we traced the progress of this aid down the line and did in fact find that it had been diverted from a certain region of Ethiopia. But why? To be turned into more cost-effective aid for a poorer region, to be turned into aid from a poor region to a region which was poorer still. We were able to trace the progress of the quantities that we had despatched and, although we may criticize the Ethiopian administration for having broken various rules contained in our agreements when faced with an emergency, we can under no circumstances accuse it of having diverted food aid to the detriment of people in need and to the advantage of heaven knows what other beneficiaries. The food aid that we sent did indeed benefit poor people, under conditions that we were able to check.

These checks were not carried out by us alone, but in conjunction with international organizations, such as the UNHCR, and with the assistance of non-governmental organizations which had been involved in distributing the aid.

On the general subject of the distribution of this aid, I would say to the European Parliament that we are managing, by the most diverse means and with the agreement, support or complicity of the Ethiopian Government, to distribute it up and down the country, in the regions which are in greatest need. So much so that, if I could persuade Parliament to agree, I should like to see the removal of the implied criticism contained in one of the paragraphs of the motion for a resolution which calls for efforts to be made to achieve a more equitable distribution of aid, since this suggestion implies a criticism which I find unjustified.

I give the House my assurance, for which both I and the Commission accept responsibility, that, as far as is humanly possible in practice, the conditions under which food aid is being supplied to this region of the world comply with the rules that we have defined, with Parliament's agreement.

I should therefore like to thank Mr Ripa di Meana for his report, to repeat that we found the original drafting and that suggested by the Committee on Development and Cooperation fairer and more balanced, and finally to stress that, overall, we find this report useful, in as much as it expands our knowledge of the situation in a region of very great importance to all of us.

Mr Ripa di Meana (S), rapporteur. — (IT) Mr President, Mr Pearce referred to an invitation to visit that region which was allegedly issued to the rapporteur of the Committee on Political Affairs, and which the rapporteur allegedly declined.

I wish to make it clear that the situation is not as he has described it. The rapporteur, at the unanimous wish of the Committee on Political Affairs, had himself asked to make the visit which, however, because of various obstacles placed in the way by the President of our Parliament, was impossible — above all because of the work timetable.

Finally, I must make it clear that, if Mr Pearce reads the text of the report more carefully he will find that it says the opposite with regard to the Ogaden conflict — namely, that it was started by Somalia and the Somali Liberation Front.

President. — The debate is closed.

The vote will be taken at the next voting time.

14. Chile

President. — The next item is the report (Doc. 1-1531/83) by Mr Israël, on behalf of the Political Affairs Committee, on the situation in Chile.

Mr Israël (DEP), rapporteur. — (FR) Mr President, ladies and gentlemen, never has greater urgency attached to a report brought before this House after two or three months' examination by a committee. It is almost a motion for a resolution with a request for urgent debate that it is my honour to present to you today, such has been the deterioration in the situation in Chile.

The mood there has become palpably tenser. There is a genuine demonstration of popular feeling, a rejection of the present régime and, unfortunately, as always happens, there is a resurgence of repression, which is in evidence everywhere, in the streets, in the villages, manifested by real tension between a Government and a people which does not accept the situation foisted upon it.

It is ominous to note, Mr President, ladies and gentlemen, that there is currently no negotiation between the Government and the opposition, although this opposition is democratic, comprising as it does Christian Democrats, Socialists and Liberals. And when it is remembered that Chile has a long-standing tradition of genuine democracy, it is surprising that opposition representatives of such democratic credentials should be excluded from all dialogue with the government. There was a moment, which I would not go so far as to call a moment of hope, but a time when there was some reason to believe that negotiations were going to be opened. The Minister for the Interior, Mr Harpa, was even put in charge of relations with the opposition. However, all that came to nothing, it was forgotten, and today we see an isolated government which will have nothing to do with any dialogue with its alienated people.

Consider only the human rights situation: there have been further banishments, arbitrary arrests are commonplace, there are disappearances and there is torture.

No improvement, Mr President, ladies and gentlemen. And the most recent protest demonstration in the streets of Santiago proves the total isolation of the Government and the unanimous determination of the people to oppose it.

The Russian poet Solzhenitsyn once said: 'Chile is far away'. Is this really true, ladies and gentlemen? The tragedy which is being played out in that distant country is of concern to us here in Europe. Were the present situation to continue for a few more months, there would be a hardening of the opposition, a radicalization, a return to the surface by certain revolutionary movements. And the result would of course be a further hardening of government repression, but at the same time — and this has to be stressed — the adoption of a lower profile by democratic movements, not out of lack of courage but to avoid being confused with those who do not really want a return to democracy.

Truth to say, Chile is on a knife's edge. It may topple over into an appalling civil war, which would be followed either by a strengthening of the dictatorship of the right or by the installation of an extremely dangerous revolutionary régime.

Europe must therefore help to bring about the restoration of democracy, since otherwise it is likely to see Chile become a festering wound in the Western world, to see the development of a civil war whose impact on the overall interests of the West would be incalculable.

This, ladies and gentlemen, is why the Political Affairs Committee's report calls for the resumption of negotiations between the present government and the democratic opposition. This report to the European Parliament proposes that free elections could be held within nine months and that they should cover all elective offices, including that of the president. This is also why the Political Affairs Committee, on whose behalf it is my privilege to present this report, is asking the United States of America and the representatives of the Ten in the International Monetary Fund to examine the true human rights situation in Chile before granting further aid to that country.

Finally, in our committee's opinion, aid to the Chilean people will be necessary once democracy has been restored.

Ladies and gentlemen, Mr President, a return to parliamentary democracy in Chile can only rebound to the benefit of the defence of the West.

Mr Van Miert (S). — (NL) Mr President, ladies and gentlemen, it is certainly not surprising that Mr Israël was not given permission to go to Chile to verify information included in the report he has just presented, since he is well known as a champion of human rights throughout the world and adopts an absolutely objective approach to these matters, which is something that a régime like Pinochet's in Chile cannot, of course, allow.

We wish to express — and I say this on behalf of the whole of the Socialist Group — our profound admiration for the rapporteur and for the contents of his report, and I can therefore say that the whole of the Socialist Group will support and approve his report and the resolution.

We support this report because more than ten years after Pinochet's bloody *coup d'état* it points out in a sober, but particularly striking manner that basic human rights are still being seriously violated by groups directly controlled by the Chilean authorities, that people are still disappearing, that people are still being murdered and tortured and that refugees given the opportunity to return are tried by military courts, as is clear from cases that have come to light in the last few days. There is, for example, the case of Palma

Van Miert

Donoso, who returned to his own country some time ago after spending several years in Belgium and this week has to appear before a military court despite all the promises he was made.

It must also be said, ladies and gentlemen, that the freedom of trade unions in Chile is seriously curtailed. We find that the famous Chicago School has made a real graveyard out of the economic situation in Chile, with one-third of the population unemployed, an enormous debt burden, widespread corruption, with a small privileged class abusing the situation while very many people do not even have the basic essentials for survival.

We therefore join the rapporteur in saying that this is an intolerable situation. Parliament must again make that absolutely clear today. It must make it clear that free elections must take place as soon as possible, within the next nine months, that the democratic opposition must, as Mr Israël has said, be allowed to help govern the country, because that is the opportunity the free West has, not backing this dreadful régime, which unfortunately, ladies and gentlemen, came to power with the support of the free West. We need only read Seymour Hersch's book, which gives a day-to-day account of what has happened with the support of multinational companies and of the CIA. Those who want to speak on behalf of the free West therefore have a duty to ensure that a régime that came to power with their help is ousted.

I therefore say once again, ladies and gentlemen, let us give Mr Israël's report our wholehearted support. To conclude, I should like to say how sorry I am that it is not possible for someone like Gérard Israël, who has so often stood up for human rights in Europe in the European Parliament, to continue this work in the next Parliament. I find it extremely regrettable that it is not possible for a man and parliamentary colleague of his stature to be returned to this Parliament as an elected representative. In view of his genuine European conviction, I consider that an ominous sign.

(Applause)

Mr Penders (PPE). — *(NL)* Mr President, this is the second time in five years that we have debated a report and resolution on Chile. It is remarkable that one country should be debated twice during the life of this Parliament. Why is this? I think there are two reasons.

Firstly, Chile's strong democratic tradition, stretching back over a hundred years, with few changes to its constitution, without any strong men, which, of course, makes Pinochet's *coup* in 1973 seem all the more poignant.

Secondly, the way in which Pinochet ousted Allende. Last year there were hopes of radical peaceful changes leading to democracy in Chile. After the failure of

what was called 'the monetarist experiment' — it is now being asked how monetarist it in fact was — it was hoped that political parties and trade union organizations, forming a democratic alliance together, might achieve something. A list of specific demands was drawn up, Mr Jarpa was designated Prime Minister, and it was thought that this might lead to a genuine dialogue between the government and opposition. There were calls for a transitional government and elections within six months. The state of emergency was lifted. Unfortunately, all the discussions failed. Even the Roman Catholic Church dropped out of the dialogue. The situation has hardened again now, and to all intents and purposes the state of emergency has been reintroduced.

What is the situation as regards human rights and the return to democracy? I will begin by saying once again in the European Parliament that I support the request from the United Kingdom, the Federal Republic and Israel for the extradition of Walter Rauff. This request is still on the agenda, and nothing has yet been done. Secondly, I feel we must go on bringing pressure to bear on Chile in the United Nations. Thirdly, international party associations, such as the Christian-Democratic and Socialist Internationals, must, in my opinion, continue to exert pressure. Fourthly, statements by the European Parliament have clearly had a definite moral effect.

Finally, I must say that I object to one paragraph in Mr Israël's resolution, where he calls for the International Monetary Fund to be involved in the question of human rights in Chile. I feel the IMF should comply with strictly economic and commercial criteria. Whether the Club of Paris, the OECD, might agree to consider the human rights question when it comes to the refinancing of debts is another matter.

To conclude, I would say that the Club of Paris in the context of the OECD is a suitable framework for the discussion of the human rights problem, but I should like to keep the IMF out of matters of this kind.

Mr de Courcy Ling (ED). — Mr President, of course we support Mr Israël's report in general, and I would like to join those others who paid tribute to Mr Israël's erudition and humanity during this Parliament and to say how much we are going to miss him. I am sure that he will continue his campaign for human rights outside this Parliament and I hope personally to be able to help him in that for some years to come.

I would just like to mention one thing in the resolution — Recital M of the preamble — on which I have tabled an amendment — No 23. It seems to me that it is inaccurate to say that there is no external military threat to Chile. Of course, the subject with which we are concerned is the internal situation, which is very serious. The problem is that President Pinochet is not interested in foreign opinion. He does not have a

de Courcy Ling

foreign policy, and this is why Ambassador Cisternas was unable to give satisfaction to Mr Israël when he visited him in Paris. That is why successive Chilean Foreign Ministers have been dismissed. Mr Pinochet is isolated, and he has made Chile increasingly isolated from the world. This is something that the Member States of the Community must view with growing concern.

The problem of the military threat from the Argentine neighbour, which has been present for many years — and well before the end of democratic government in Chile — is something with which we ought to be concerned. For many years the Chilean army has been obliged to keep forces in the area of Palena where there was until recently an Argentine threat to the Chilean frontier itself. In addition, Chile has been dogged by the Argentine claim to the islands of Lenox, Pikton and Nueva in the Beagle Channel. The truth is that the Argentine military establishment suffers from a chronic need to bully its two neighbours, little Chile to the west and the even smaller Falkland Islands to the east. In neither case is there any ideological basis to this expansionism. It is more the *machismo* of Mussolini in regard to Abyssinia than Hitler's desire for *Lebensraum* in Czechoslovakia.

Argentina has compounded disdain for Chile with contempt for international processes of arbitration. Both Chile and at least one Member State of the European Community therefore, are obliged to divert resources to defence which ought to be devoted to peaceful purposes. Even now that President Alfonsín has, after a democratic election, taken office as President of Argentina, we still cannot trust the Argentine armed forces. This is an external problem for Chile. In the light of it, Mr President, I invite colleagues here of all groups to support my Amendment No 23.

Mr Haferkamp, Vice-President of the Commission. — (DE) Mr President, the Commission is at one with the Parliament in deploring the current political situation in Chile. World opinion is still calling for a start to be made on restoring democracy in Chile. There are no signs of this happening; on the contrary the Pinochet régime refuses any dialogue with the opposition and relies to an ever-increasing extent on repressive measures. The Commission supports the motion. We hope that the Chilean Government will ultimately be prepared to open a constructive dialogue with the opposition. The return to democracy in Chile remains an essential prerequisite for the country to be helped in overcoming its severe economic crisis.

President. — The debate is closed.

The vote will be taken at the next voting time.

15. *Central America*

President. — The next item is the report (Doc. 1-56/84) by Mrs Lenz, on behalf of the Political

Affairs Committee, on the situation in Central America.

Mrs Lenz (PPE), rapporteur. — (DE) Mr President, in recent years the European Parliament has adopted many resolutions — some of them controversial — on Central America. Parliamentary delegations have travelled there, and a report originally confined to the theme of El Salvador was finally widened to a report on Central America.

In spite of the crowded agenda I must point out that five minutes for a European Parliament debate on the region of the world which is in a state of dramatic crisis could give the impression that we do not take this subject seriously.

But we do take it seriously. We in the European Community, who as nations and peoples paid a high price, enduring bloody war the infringement of human rights, and loss of freedom, in order to achieve in the end and sometimes with great difficulty reconciliation and peace through the friendly settlement of conflicts, are very much aware of the sufferings of the peoples in this region, where peace, freedom and civil rights are not guaranteed. In solidarity with those who defend freedom and right, and without seeing one side only, we should help directly to bring peace to this region.

I cannot deal in detail with each individual country, but there are a few facts of which we simply must take note.

The conflicts result from centuries-old social discrepancies and conflicts, from a falling standard of living, from the flouting of human values and, as a result, from terror, violence, persecution. Violence has become part of everyday life, something we no longer have here, revolutionary influences which are not fighting for freedom, but rather often wish to exchange one form of coercion for another, have brought destabilization and armed violence from inside and outside, from interventions from across the frontiers as a part of power politics have also played a part.

The introduction of democratic processes is also exposed to the threat of constant siege as is the respect for basic freedoms, without which democracy, based on peace and freedom, cannot exist. This applies to all the countries of the region though to a very differing extent. The greatest anxieties have been caused to us by the states which have become involved in the tensions of world politics, that is to say El Salvador, Nicaragua and Guatemala.

Even the peoples of these countries experience the deep yearning for peace and freedom. This is shown by the vote in El Salvador and the struggle of the Church in Nicaragua, El Salvador and Guatemala for the keeping open of areas of freedom for the people,

Lenz

the struggle of the parties and trade unions and the resistance to terror and dictatorial regimes internally and from the outside.

The European Community has a vital political interest in a peaceful solution of these conflicts. For this reason delegations from the Parliament and the parliamentary groups have made repeated visits to Central America. They have all found that in this region they are trying to get into close contact with us, and the Andes Pact is frequently regarded as a model for future development. A reactivation of the Central American Common Market could provide the first link. The Community must therefore contribute as much as it can to peaceful development of the region. This means above all support for the Contadora initiative as providing a real opportunity and initiative, one which has emerged from within the region itself. Prerequisites for the internal liberation of these countries are democracy, pluralism, respect for human rights, respect for the basic rights and the rights of freedom and the desire of the citizens to decide on their state and the organization of their society through free elections. We place particular emphasis on this.

We also call on the United States in view of its leading role to contribute to a peaceful solution through increased economic aid, as indicated also in the Kissinger report. The USSR and Cuba could also play an important role.

Our proposals are a follow-up to the views put forward by the European Parliament or the European Community in the past. We want no discrimination between countries and areas. We want efforts to be made in all countries, to prevent fresh tension. We want clear criteria for aid, to help maintain and strengthen democracy, freedom and human rights, for the restoration and creation of economic and social prosperity.

We must however call what is right right and what is wrong as wrong, without any ideological distinction. Only then can we bring our own experience to bear and become partners for the future. We, the freely elected representatives of Europe, cannot simply rest on our laurels or stand idly by when freedom is endangered.

Mrs Van den Heuvel (S). — (NL) Mr President, if I am to take Mrs Lenz's objectives seriously — and why should I not do so? — then I must say that I do not believe she has succeeded in achieving them in her report.

I feel this report is a very clear example of how things must not be done in this Parliament. The resolution demonstrates prejudice and makes no attempt at all to adopt a balanced approach to what is a difficult situation. I will give you a few examples of this. The resolution states in an off-hand manner that Central America must be regarded as 'one of the most serious

flashpoints of East-West tension'. Anyone familiar with the area knows that interference from abroad is a factor in the problems facing the region and that the situation is influenced in particular by the intervention of the United States, which sees the region as its back yard. This has now obviously been realized by the United States Senate, which has sharply condemned the CIA's activities in the area.

The analysis given under points A to I of the resolution fails to refer to the most important cause of unrest in the area, namely the social and economic situation, whereby the few exercise power over the many and the few are able to get rich at the expense of the many. The way in which completely different matters are covered by a single hope is a second example of prejudice. Anyone who takes an unblinkered view of the situation in Central America must surely realize that the position in Nicaragua is completely different from that in such countries as El Salvador and Guatemala.

This is not to say that the Socialist Group is entirely uncritical of what is happening in Nicaragua. Despite the considerable sympathy we have for the present government, we do not hesitate to refer to its imperfections as regards respect for human rights and the democratic process in which the country is involved, for example.

Anyone who takes a close look at the situation must admit that the government in Nicaragua is committed to two things: firstly, the furtherance of the democratic process. Elections are due to take place on 4 November, and everything is being done to ensure that they are really free and democratic.

But Mrs Lenz is reasonably positive about El Salvador. She does recognize that extreme right-wing killer commandos and death squads are threatening the democratic forces, but she hastens to add that the Marxist-Leninist guerillas of the *Frente Farabundo Martí para la Liberación Nacional* is also contributing to this insecurity. And yet this liberation organization has on several occasions said that it is prepared to take part in the political dialogue. So far this has been rejected out of hand by the régime in El Salvador, and not only by Mr d'Aubuisson, who is claimed to be the major evil-doer by the Christian Democrats and also — I would emphasize — by Mr Duarte when he was still President, and he can now obviously count on the warm support of the whole of the EPP. All of a sudden he is now being described as the region's potential saviour.

My group, Mr President, has tabled amendments in an effort to introduce some balance into the resolution. We can only hope that Parliament will approve them, if only because the European Community must certainly not leave the stage while it is a possible factor for peace in this area.

(Applause from the Left)

IN THE CHAIR : MR PFLIMLIN

Vice-President

President. — As we have now reached voting time we shall suspend the debate which will be resumed tomorrow.

However, we shall first have to settle a question regarding the terms of reference of two parliamentary committees. The President announced this morning that the proposal from the Commission of the European Communities to the Council for a directive on equal treatment for men and women in self-employed occupations, including agriculture, and on protection during pregnancy and maternity has been referred by the enlarged Bureau to the Committee of Inquiry on the Situation of Women in Europe and to the Committee on Social Affairs and Employment for its opinion.

Mr Papaefstratiou, chairman of the Committee on Social Affairs and Employment has objected to this referral on the basis of Rule 94 (2) of the Rules of Procedure. I shall therefore put to the House Mr Papaefstratiou's proposal to refer it to the Committee on Social Affairs and Employment as the committee responsible.

Mrs Cinciari Rodano (COM), *Chairman of the Committee of Inquiry into the Situation of Women in Europe.* — (IT) Mr President, I should like to inform the Assembly that the Committee of Inquiry into the Situation of Women in Europe asked the President to arrange for the Directive on equality of treatment for self-employed women to be submitted to the Committee for study.

On 17 January Parliament adopted the resolution presented by the Committee of Inquiry, and para 111 of that resolution reads as follows: 'Notes that the Commission intends to submit to the Council other legal instruments and proposals, in response to the resolution of 11 February 1981, on which the Euro-

pean Parliament will be asked to deliver its opinion, and therefore instructs the Committee of Inquiry to continue to carry out the tasks referred to under point (a) of its terms of reference until the end of the present parliamentary term.' Now the task referred to under point (a) of its terms of reference was precisely to monitor the application by the Community institutions of the requests contained in the resolution of 11 February, which included the extension of the principle of equality of treatment to include self-employed women.

If, therefore, this Assembly wants to be consistent in its actions with that it voted for two months ago, I consider that the decision of the Bureau to submit this question to our Committee for study was justified.

(Applause)

Mr Papaefstratiou (PPE), *Chairman of the Committee on Social Affairs and Employment.* — (GR) I would like to make it clear from the start that we view the Committee of Inquiry into the Situation of Women in Europe with every sympathy, but — as is also said in the Directive issued by the Commission — this matter relates principally to employment, professional training and social security, in other words sectors concerning which the Committee on Social Affairs and Employment has absolute, and I would say main competence. It is therefore a matter of principle, and for this reason I think that the proposal by the Committee on Social Affairs and Employment should be adopted.

(Parliament approved Mr Papaefstratiou's proposal)

16. Votes¹

*(The sitting was closed at 7 p.m.)*²

¹ See Annex I.

² Agenda for next sitting: see Minutes.

*ANNEX I**Votes*

The Report of Proceedings records in an annex the rapporteur's position on the various amendments and the explanations of vote. For details of the voting the reader is referred to the Minutes of the sitting.

**PRUVOT MOTION FOR A RESOLUTION (Doc. 1-163/84/REV 'WASTE'):
ADOPTED**

Explanation of vote

Mr Bombard (S). — (FR) Very briefly, in addition to what I said at the time, I should like to say how pleased I was with the work of this committee and to express my special thanks to Mrs Weber, who has been kept away today by a tragic event in her life, and Mrs Bouchardeau for the work that she put in to receiving this committee. I shall of course be voting in favour.

* * *

KLEPSCH REPORT (Doc. 1-80/84 'SECURITY') : ADOPTED

The rapporteur spoke :

- IN FAVOUR OF Amendments Nos 1 to 3, 19 and 23 ;
- AGAINST Amendments Nos 4 to 7, 12 to 18, 20 and 21.

Explanations of vote

Mr Van Miert (S). — (NL) I shall be brief. On behalf of the majority of the Socialist Group I can say that we shall vote for this report, even though it contains certain passages that are open to criticism and references to resolutions which we did not approve at the time. I should also like to say that the fact that the Treaties do not provide for formal powers in the security field need not prevent this Parliament from discussing the question. It is a matter that is connected with the autonomy of European integration. It is a matter that is connected with our own security interests, and it is therefore in this spirit — and I should like to emphasize this — that we are prepared to discuss it. Finally, I would say once again that it is a matter that has the backing of the majority of my group. Others will be expressing our views on specific aspects, Ireland, for example, a country which, as you know, does not belong to Nato. You also know that the Socialist Group's position is that there should be further détente, the aim being to freeze arsenals and so to achieve arms control, a reduction in armaments, and also to counteract the growing confrontation of the major powers that has emerged in recent years. As we see it, it is not in the interests of Europe's security for this confrontation to continue. Quite the opposite. In this respect, my group differs substantially from other Members of Parliament, a majority of whom have in the past voted for the deployment of new nuclear weapons in Europe.

(Applause)

Mr Skovmand (CDI). — *(DA)* The Klepsch report on the common interests, risks and requirements in the field of security makes extremely uncomfortable reading. It should convince all doubters that the development of the European Community is not necessary to the benefit of peace, as the pro-Community groups maintain. The Klepsch report wants to build the EEC up into a major power. It wants to transform Nato into an alliance between the USA and Canada on the one hand and the Community power-bloc on the other, and that will, either consciously or unconsciously, lead to common arms production and common military forces. It is a report which must be opposed by all those who desire peace in the world.

Mr Veronesi (COM). — *(IT)* We Italian Communists have examined very calmly and with due attention the resolution and accompanying report presented by Mr Klepsch. The rapporteur has certainly made a very considerable effort in drawing up a document so full of acrobatics and — if I may be allowed to add, without acrimony — subtle ambiguities. Acrobatics and ambiguities of a formal character, because, as far as the actual substance of their meaning is concerned they reveal an approach which, albeit in good faith, is unacceptable and is not the right way to go about establishing a world yardstick for a general, autonomous policy of détente. On the contrary, the report constitutes — like it or not — an element of support for the policy of power blocs.

The next assembly of the Western European Union will be discussing the same subjects and, as far as we know, on the basis or reports that have a similar approach.

If we bear in mind the most recent positions taken up by Japan, the Williamsburg Summit, the declarations and decisions of President Reagan for a colossal re-armament commitment — the Klepsch Report and its resolution clearly fit into the framework of this hardening of international relations. How can the message contained in this document be accepted as an olive branch? If you think of it, especially the part that refers to third countries, it is more of a sweetened new version of the carrot and stick policy, an updated, prettyfied new form of gunboat diplomacy.

We want to respect the autonomy and independence of all people. We reject the 'defend your own hearth' philosophy, no matter where and by whom this philosophy is put forward and applied. The concept of security must change its moral and political basis from that of re-armament to that of collaboration as equals — and I insist, as equals — between peoples. We consider that the idea of suppressing so-called 'disorders' and keeping flying squads available is dangerous: maybe some people believe in it, in good faith — as I said before; we however place our trust in dialogue — even when agreement is difficult — and mutual respect.

This is what is missing — despite a few airy-fairy statements — from the Klepsch document. For these reasons we shall deny the resolution our support, or even a benevolent abstention; not because we are unaware of the general problem of political cooperation — which does exist — but in order to stimulate Parliament to a deeper study of the question.

(Applause from the benches of the Left)

Mrs Baduel Glorioso (COM). — *(IT)* After Mr Veronesi's speech I have really nothing further to add, but it still seems duty to say a few words. I have only a minute-and-a-half available, and I will therefore not go into detail.

As a European Member of Parliament who supports peace and nuclear disarmament, and moreover after having presented some amendments, I should only like to say that the points where the rapporteur calls for effective consultation between the United States Government and the foreign ministers of the Community meeting in political cooperation appear to me to be extremely serious and, even if they are well-conceived — as Mr Veronesi has said — they are however transparent.

Is this what they mean: that we cannot have a European foreign policy without the prior agreement of President Reagan, or the United States Government? If so I reject this role

of subjection and servitude for Europe because, even in the Atlantic Alliance — and I do not ask, and we have never asked, to leave the Atlantic Alliance — Europe's role must be one of dignity, strength and autonomy.

Secondly, as Mr Veronesi has already said, are we already making provision for a European army, which does not exist, and which would intervene wherever trouble arises?

Mr Veronesi is right: such is the role of colonialists — not neo-colonialists — colonialists! I reject it all, and with great and deep indignation I reject this report.

(Applause from the benches of the Left)

Mr Denis (COM). — *(FR)* As my colleague Mr Baillot demonstrated during the debate, the real aim of the report by Mr Klepsch is to make the Community increasingly dependent on the United States of America.

The motion for a resolution is succinct in the extreme, but the report is very much more revealing. Indeed, it is strange and significant that the report was not in circulation when the debate opened this morning. At all events, the text submitted to us deliberately seeks to create confusion between security and defence with the intention — already seen in the Fergusson and Haagerup reports — of circumventing the proscription of debates on defence matters in this House, under the terms of the Treaties.

We share the indignation of our Irish colleagues, who do not wish their country's neutrality to be compromised, all the more keenly in that France left Nato's integrated military organization in 1966 and is not about to re-enter it, even by the back door of European defence. That is what the French Right are agreeing to! We shall not create a Europe of peace by promoting a policy of starker confrontation between blocs, for Mr Klepsch throws caution to the wind when he calls upon the Community to seek American protection. Europe is no longer even being talked of here as the second pillar of the Atlantic Alliance, but as an appendage, without actually going so far as to say that its fate would be sealed before battle was joined. The Europe of peace has to be fought for? That is why we say yes to the Europe of peace and to the Klepsch report!

(Applause from the Communist and Allies Group benches)

Mr Gerokostopoulos (PPE). — *(GR)* I am authorized by my colleagues of the New Democracy here present, Mr Bournias, Mr Gontikas, Mr Kazazis, Mr Kaloyannis, Mr Papaefstratiou and Mr Protopapadakis, to make the following statement: Our vote on the motion for a resolution by Mr Klepsch concerning the catalogue of interests, dangers and needs of the European Community in the sector of security, will be positive because we believe that it represents an important step towards European integration, to which our Group is committed.

Secondly, the acceptance of the amendment submitted by Mr Bournias, Mr Gontikas and myself calling for deletion of Section 5 of Paragraph 2 in Mr Klepsch's proposal, which referred to a method of dealing with the Cyprus problem that was unacceptable in our view has removed all our reservations concerning the motion before the House.

Mrs Boserup (COM). — *(DA)* So Mr Klepsch's motion for a resolution gives us something which is called a European view of security. I should really like to know what that is. We once asked the President of the Council what the economic aspects of security were, but we were not told. I know very well what I mean by European security. I mean a nuclear-free Europe, but that will require a long political and public campaign, before we achieve it. We shall not achieve it in any case by allowing the foreign ministers of the Community to set about lumping the Community together with Nato, as Mr Klepsch proposes. It is in conflict with the terms of Danish membership of the EEC, and we in the Socialist People's Party will do our utmost to knock that into the head of any Danish foreign minister who tries to follow this course. This feeble motion for a resolution is only an attempt to slice off a piece of the sovereignty of the Member States in the foreign policy area. It has no popular backing. The best thing that can happen to it is swift oblivion, and at all events I shall vote against it.

Mr Plaskovitis (S). — *(GR)* I wish to state that we Greek Socialists will vote against the Klepsch report because all it does is to intensify the cold-war climate in Europe. Despite the fact that following the approval of my amendment, the paragraph referring to the Cyprus problem was deleted, the Greek Socialists will vote against a report of this kind in its entirety.

(Applause from the Left)

Mr Ripa di Meana (S). — *(IT)* Mr Van Miert's speech has already shown that the majority of the Socialist Group is in favour of the report. This is an important, positive development of the line taken by my Group in regard to European security and responsibility.

I must draw the attention of this Assembly to the fact that the position of the majority of the Socialist Group, in regard to the Klepsch report, reflects the spirit and sometimes the letter of the manifesto that was adopted at the last European Socialist Parties' Congress at Luxembourg, on this very subject of European security.

(Applause)

Mr Fich (S). — *(DA)* The Danish Social Democrats will be voting against the Klepsch report. We do so for three reasons. Firstly it is a continuation of the Fergusson and Haagerup reports on arms production and security policy and, since we were against those two reports, we must be consistent and oppose the Klepsch report too. Secondly, it mixes competences together which belong to Nato on the one hand and to the Community on the other, and we do not want these two sets of powers to be lumped together. Thirdly, it attributes to the European Parliament a role in security policy, which the European Parliament does not have. Parliament has no role in foreign policy consultations. It is exclusively a matter between the foreign ministers of the countries concerned. For these three reasons we vote against it.

(Applause)

Mrs Van den Heuvel (S). — *(NL)* In the opinion of the Dutch Socialists this resolution is an extremely meagre response to the task the rapporteur was expected to perform in the light of the motion for resolutions that prompted this report. Mr Mommersteeg in particular must feel disappointed since the rapporteur has done no more than analyse common security interests and pass the problem on to the foreign ministers. We were, of course, opposed to various of the resolutions mentioned in the recitals and adopted by Parliament in the past. Above all, we found the resolution on the deployment of nuclear missiles in Europe absolutely unacceptable. But since we advocate the discussion of the political aspects of the security policy within the framework of European Political Cooperation, with each Member State entitled, of course, to have its own views, as the President-in-Office of the Council, Mr Cheysson, recently emphasized in the Political Affairs Committee, and since this is really the only factual statement the Klepsch resolution contains, we shall vote for it.

Mr Balfe (S). — I shall vote against this report for four reasons. Firstly, it is, as some speakers have said, an attempt to extend the powers of Parliament. Secondly, it is an ill-balanced report which places too much emphasis on the connections that we have with the United States and seeks to perpetuate the division. Thirdly, in the amendments we have shown that it shows no respect for the position of the Republic of Ireland and Irish people in Britain, when they are called upon to vote, will not fail to note that certain amendments were consistently voted down. I hope they will note that the Conservative Members in this Parliament consistently voted against Irish interests. Lord Bethell is not here but the honourable Member for Kilburn, particularly, will probably wish to note that. The fourth reason is that it does not advance a rational basis for a defence policy within Europe, Western Europe or the European Community. We really have to get away from the rather stale role of accepting on a permanent basis for all time the presence of American troops on European soil. We often say how fed up we are with American troops in various other parts of the world and even more so with Soviet troops. Let us look again at our defence needs and let us see whether we need to continue to be an occupied Continent.

Mr Blaney (CDI). — Having seen how Mr Klepsch as rapporteur, turned down every effort made by whatever amendment to try to bring about disarmament, to try to discourage the escalation of the arms race in general, and having witnessed the way he ignored and rejected every effort made to set apart the special situation of Irish neutrality as it affects our membership within the Ten, I have no alternative but to vote against this report. And I might add, for the benefit of this House, and particularly for the benefit of my colleagues in the British Tory Party that while Ireland is partitioned and occupied by the UK, by British forces and British power, there can be no question of my country joining any alliance whatsoever, be it Nato or any other such organization.

(Applause from the Left)

Mr Castellina (CDI). — *(IT)* An attempt is being made in this Parliament to introduce, surreptitiously and indirectly, an assumption that has nothing to do with European security but which, in reality is about the armament of Europe.

This assumption seems most serious to me : firstly, because the security of Europe cannot be sought through armaments, but only through disarmament and non-alignment, as a condition for the withdrawal of American and Soviet troops from Western and Eastern Europe alike. Secondly, because this resolution, like the Haagerup and Fergusson ones, says things that were also said by Kissinger in a recent article, and instead of providing for the autonomy of Europe we have instead the prospect of Europe's being integrated to an even greater degree, in a subordinate role, in the American military machine.

For these reasons I shall vote against the resolution, as a European Member of Parliament for peace and disarmament.

(Applause from the benches of the Left)

Mr Ephremidis (COM). — *(GR)* The Greek Communist Party will vote against the Klepsch report because, despite all the tricks he employs, it is certain that the report has nothing to do with Europe's autonomy and defence, but aims to establish in yet another way the subjugation of Europe to the demands of American imperialism, since it seems that the bonds of Nato are not enough.

Secondly, it bears no relationship to peace and disarmament, but on the contrary encourages a more intense arms race, seeks to create a third military alliance cooperating with the USA or subject to their control, and tends to exacerbate the situation to the ultimate.

Finally, Mr President, the experience of the Greek people shows that participation in such alliances, for example in NATO, is just what creates dangers for our country's national independence and territorial integrity.

I wish, however, to thank Mr Klepsch and all who are about to vote in favour of this report, because it is truly revealing about what is happening in this Community. It would have taken a great deal of effort to persuade the people, especially with elections just around the corner, of what you are aiming to do. This report is a great service. It is most revealing. You should be ashamed!

(Protests from the Centre and the Right)

Mr Kyrkos (COM). — *(GR)* The Community has a unique opportunity to offer its peoples the hope of peace and progress within a policy of autonomy and creativeness. This policy of autonomy is being destroyed by the conservative majority's attempt to form still more structural bonds between the Community and American policy, and to push Europe towards still greater militarization, so converting it into a pawn of American strategy. The greatest threats to Europe are the crisis, unemployment, impasses, and these are the areas in which we should be looking for solutions, not the furtherance of armament and military antagonism.

We will vote against the Klepsch report because it represents a further build-up of the militarization that constitutes a threat to humanity, and we shall insist on the adoption of a policy of peace and autonomy. We call upon Europe's peoples, in the forthcoming European elections, to vote along those lines so that a new composition of the European Parliament may give courage and new hope to people all over the world.

Mr Vandemeulebroucke (CDI). — *(NL)* I also believe that security and peace must be discussed in the European Parliament, that everything should be open to discussion here, since we are the directly-elected representatives of the European peoples. But the question is what form the majority of this Parliament believes this security should take.

I therefore fully endorse the amendments tabled by Mr Boyes and others, and I am sorry that the amendments on the deployment of nuclear weapons in Europe have been rejected. I am particularly sorry that even the amendment on the completely different situations and opinions in the Member States did not find favour with Mr Klepsch and a majority of the Members of Parliament.

We personally feel that a European pillar must be developed within Nato and that Europe must enjoy greater autonomy in this organization. But we do not believe that Nato should be the centre of political thinking and action. Nato must confine itself to security and defence aspects.

Consequently, we also believe that the European Community could play a role in Treaty legislation, within the framework, we feel, of an active peace policy. Seen from this angle, peace is not simply the absence of war. Peace means the refusal to use any kind of force, be it economic, social, cultural or structural. Establishing an active peace policy means, among other things, acting on the basis of the peace triangle: development, disarmament and self-administration. And this active peace policy means that the European Community can itself set an example. The arms trade and the vote on this subject have shown what direction the majority wish to take.

None of this is to be found in the Klepsch report, and I shall therefore vote against it.

Mrs Squarcialupi (COM). — *(IT)* This resolution has all the features of a minefield: that is to say, at first sight it looks just like a green field inviting you to go ahead in safety, without worrying; but then the first mine explodes, and then the others. It begins by talking about adopting measures — a well-bred euphemism for arming oneself — with arms that our peoples do not want and for which they are not prepared to pay — especially out of their social budgets.

After this first mine, others explode: Parliament, and its representatives, are to be given a mere courtesy role, whilst the United States has the role of 'Boss Dad' or 'Godfather'.

As a member of the Parliamentary group for nuclear disarmament I shall therefore vote against the resolution, for another reason: a policy for security which is in reality a policy for armament and militarization will cause deep divisions in our countries and amongst our peoples, whereas we need meeting points and points of agreement in order to face up to the very serious problems of today, such as employment, underdevelopment and, above all, the problem of whether or not we are to have a united Europe.

(Applause from the Left)

Mrs Viehoff (S). — *(NL)* The spokesman for the Dutch Socialists was unfortunately mistaken, since she was not speaking on behalf of all Dutch Socialists.

I shall be very brief. I do not agree with every detail and every word that Mrs Squarcialupi and Mr Veronesi have said, but on the whole I do agree with the sentiments they have expressed. I shall therefore vote against this resolution.

(Applause from the Left)

Mr Ryan (PPE), in writing. — I must protest that we have been obliged to debate and vote upon the security resolution without seeing the rapporteur's explanatory statement. It is all the more objectionable as I have heard it argued that while the resolution is a wishy-washy compromise, its intent can be gleaned from the explanatory statement which identifies military requirements. We are being asked to vote blindfold! It is unworthy of the European Parliament to engage in such subterfuge.

My Fine Gael/Irish Christian-Democratic colleagues and I carefully considered whether we should participate in the debate and vote on security in case our involvement might be interpreted as implying a recognition that it was legitimate for the European Parliament to purport to extend the responsibility of EEC membership into the security field. On the other hand, had we remained silent, we ran the risk that our silence might have been interpreted as approval. We therefore decided that it was necessary to record our express principled opposition to the security proposals, particularly those relating to Nato.

Our negative vote is for the purpose of demonstrating Ireland's continuing commitment not to join any military alliance. Ireland being neutral, it appears to us to be inappropriate for any Irish Members to attempt to amend any resolution on security which is *ultra vires vis-à-vis* the Treaty of Rome. We have therefore abstained from voting on the amendments but will vote against the resolution as a whole.

We question the wisdom of Mr Blaney in tabling amendments on Irish neutrality which, irrespective of their merits, had no possibility of acceptance. His indiscretion has put on record votes of the European Parliament which can be interpreted as being opposed to Irish neutrality. Similar lack of finesse on his part last month put on the record votes which opponents could interpret as rejecting Irish unity. With friends like this, Ireland does not need enemies.

The intervention by British Conservative member, Mr Prag, quoting from an Irish Government White Paper of 1972 was particularly unfortunate and inappropriate. Being a life-long opponent of the government which published that White Paper, I do not accept any responsibility for its contents. Nevertheless, I would point out that to the extent that the government of the day in Ireland accepted that defence obligations could arise within the EEC, they were conditional on Europe achieving real political and economic unity. No Member State is more guilty than the United Kingdom of hindering progress towards European unity. To ask that Ireland undertake military duties before European unity is certainly putting the cart before the horse — a certain way of hindering progress.

In his amendments today, Mr Blaney repeats a grievous error he made in his amendments to last month's Northern Ireland resolution. The name of the Member State from which Mr Blaney and I come is 'Ireland'. It is so designated in the Treaties. Mr Blaney misnames it 'the Irish Republic', a name which has no legal basis whatsoever. That is an offensive nickname for Ireland invented and used by certain elements in the establishment of the 'British Kingdom' including the BBC. We Irish Christian-Democrats could not vote for amendments which insult Ireland.

ANNEX II

I. Questions to the Commission

Question No 7, by Mr Davern (H-702/83)

Subject: Illegal exports of British lamb

Is the Commission aware that a mini-collapse in Irish sheep prices has resulted from the illegal export of British lamb labelled as 'spiced lamb' to French, German and Belgian markets and what action does it propose to take to resolve this matter?

Answer

The inclusion of certain sheepmeat products falling under Heading No 16.02 of the Common Customs Tariff, which comprises the type of meat to which the honourable Member is referring, in the clawback arrangements was decided by the Council in the framework of the price package and related measures for 1984-85. As from 9 April 1984 these products will accordingly be subject to clawback payments.

* * *

Question No 15, by Mrs Le Roux (H-602/83)

Subject: Fisheries conference

The FAO has decided to hold a World Fisheries Conference in 1984. Does the Commission propose to take part in this conference and what preparations does it plan to make for it?

Answer

1. The Commission is carefully following the preparations for this conference and intends to be represented in an appropriate capacity. The Commission has taken part in the preparatory work, including in particular the meeting of the FAO fisheries committee in October 1983. It also took part in the preparatory work of a high-level committee of experts which is considering the problems of access to resources.

2. The FAO Council has decided that the Community should attend the conference with a suitable status. This *ad hoc* status must comply with the FAO's basic texts and should allow the delegation to speak for the Community's authorities on fisheries. The matter is currently being studied by the FAO together with the Commission departments.

3. In preparing for this world conference, the Commission is anxious to coordinate the views of the Member States in order to arrive at joint positions on the topics to be dealt with at the conference.

* * *

Question No 16, by Mr Hänsch (H-721/83)¹

Subject: List of priority regions based on youth unemployment applicable from 1 January 1983 (OJ C 194 of 21 July 1983, p. 3)

¹ Former oral question without debate (0-134/83) converted into a question for Question Time.

1. At the Conference on Regional Development in North West Europe in November 1983 the Commission representative publicly stated that North Rhine-Westphalia in the Federal Republic was one of the Community regions particularly badly affected by the decline in traditional industries and its labour market problems were therefore comparable to those of less-developed, peripheral regions and would need appropriate assistance in the future. Can the Commission explain why, in spite of this correct analysis, the list of priority regions based on youth unemployment does not include any areas of North Rhine-Westphalia?
2. Is the Commission aware that in the area covered by the Essen labour exchange, for example, there were 2 000 young people under 20 registered as unemployed at the end of 1983 and the number unregistered is thought to be equally high?
3. Can the Commission state the criteria governing this selection of priority regions based on youth unemployment?

Answer

The list of regions eligible for priority aid from the European Social Fund established on the basis of youth unemployment in 1983 was based on a Community sample survey of labour forces. The survey is the only harmonized source at Community level and is therefore the only possible basis for a list of priority regions. The survey is carried out every two years. For 1983, the data relating to 1981 were used. Priority was given either to regions with a higher youth unemployment rate than the Community average (14.0 %), or to regions where the rate was 30 % higher than the national average (4.7 % in Germany). At the time of the survey, in 1981, no region in the *Land* of Nordrhein-Westfalen fulfilled the criteria for inclusion in the list of priority regions.

* * *

Question No 20, by Mrs Van Hemeldonck (H-782/73)¹

Subject : European shoe industry

President Reagan and the US Trade Commission clearly intend to close the American market to imports of shoes manufactured abroad. The restricting of access to the US market would have disastrous consequences for the European shoe industry. What steps has the Commission taken to prevent this happening and what results has it achieved?

Answer

1. At this moment a petition has been filed with the International Trade Commission by a combination of US industry and labour associations with a view to limiting the imports of non-rubber footwear into the US. The ITC is due to make its findings on injury and, if injury is found, propose remedy to the President of the United States on 23 July 1984. The President is free to follow or not the ITC recommendations. There is for the time being no indication that the President intends to close the American market to imports of shoes.
2. The Commission is examining with the Member States and European footwear industry representatives the arguments used in the petition.
3. The Commission is very conscious of the damaging effects which possible import restrictions decided by the US might have on Community exports of non-rubber footwear.

¹ Former oral question without debate (0-153/83) converted into a question for Question Time.

4. The Commission will, at the appropriate moment and in the appropriate manner, intervene with the US authorities in order to give maximum protection to the Community's interests.

* * *

Question No 21, by Mr Denis (H-698/83)

Subject: The future of the Kodak Europe group

In view of the fact that certain multinational undertakings such as Kodak intend to pull out of a large number of production operations and research activities in Europe, thereby adding to unemployment and to the loss of skills by the workforce and increasing Europe's economic and industrial dependence on the United States, does the Commission not think that there is an urgent need to strengthen certain provisions of its proposal on procedures for informing and consulting the employees of undertakings with complex structures (amended 'Vredeling' proposal) so as to lay down a formal legal requirement for consultations between representatives of the parent companies and their subsidiaries in which the representatives of employees of undertakings located in Europe can also participate?

Answer

Article 5, paragraph 3, of the amended proposal for a directive to which the honourable Member refers states that a representative body of all the employees of a parent company and its subsidiaries within the Community *may* be set up as a result of agreements between the management of the company and the employees' representatives.

The Commission has no plans to change the proposal to make this compulsory. The Commission, like the majority of the Member States, is very anxious to respect the recognized rights of workers' representative bodies in the various countries of the Community and it feels that the creation at Community level of a workers' representative body which had not been asked for by the social partners could well have an adverse effect on the labour relation arrangements which currently apply.

* * *

Question No 22, by Mr Christopher Jackson (H-700/83)

Subject: Import of fresh strawberries from ACP States

On what grounds does the Commission defend tariff discrimination in favour of Israel, which pays a duty of 5.6 % on its exports of off-season strawberries, in comparison to the 14 % duty payable by ACP State?

Answer

The normal customs duty applicable to strawberries under the Common Customs Tariff is 14 % from 1 August to 30 April and 16 % from 1 May to 31 July.

In the context of its global Mediterranean policy and in order to take account of existing trade patterns with its partners in that area, the Community agreed certain tariff reductions for strawberries during certain periods of the year with those of its partners which had a genuine interest in exporting that product.

The second Lomé Convention did not include strawberries amongst those products receiving more favourable treatment than third countries benefiting from the most-favoured-nation clause and thus the normal duties referred to earlier apply.

Since that time production of strawberries in certain ACP countries has developed and the Commission has responded to the request for preferential treatment by proposing a preferential regime for ACP exports of strawberries.

* * *

Question No 23, by Mrs Lizin (H-706/83)

Subject : Aid for young farmers

What action does the Commission intend to take to make good the losses suffered by young farmers as a result of the suspension of the structural directives, in particular the starting-up aid for young farmers ?

Answer

Acting on a proposal from the Commission, the Council decided on 29 February 1984 to extend the validity of the socio-structural directives to 30 June 1984. This decision means that the continued financing of these measures by the Community can be assured while waiting for a Council decision on the Commission proposal to improve the effectiveness of farming structures before the date mentioned.

* * *

Question No 24, by Mrs Weber (H-716/83)

Subject : Drinking water directive

Can the Commission say which Member States have implemented the directive relating to the quality of water intended for human consumption (80/778/EEC) and what steps they are taking to incorporate this directive in national legislation which should have been done by 15 July 1982 but which is not yet law, for example, in the Federal Republic of Germany ?

Answer

Apart from Denmark no Member State had informed the Commission by the deadline of 18 July 1982 of the measures it had taken to implement Directive 80/778/EEC on the quality of water intended for human consumption. In February 1983 the Commission therefore sent out reminders which were answered by Greece, Ireland, the United Kingdom, France and the Federal Republic of Germany.

After considering these replies and contacting the Member States who had not responded, the Commission decided on 27 July and 21 December 1983 to initiate procedures for infringement of the Treaty against Belgium, the Federal Republic of Germany, the Netherlands, Italy, France and Greece. The Commission has also initiated a similar procedure against Luxembourg after it emerged that this Member State had implemented the directive only partially.

Subsequently, on 24 February 1984 France submitted to the Commission a reply which at first sight seems satisfactory and which is now being carefully considered. The Commission has therefore not been inactive. It will continue with the procedures which have been initiated in the hope of achieving a satisfactory application of the directive by all the Member States.

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Question No 25, by Ms Quin (H-729/83)

Subject : Future employment prospects for North-East England

Given the dramatic decline in the basic industries of the north east of England (a region which has the highest level of unemployment in mainland Britain) and the virtual absence of new industry, what in the Commission's view will provide employment for the people of North-East England in the future and how will the Commission help to create such new employment ?

Answer

The Commission is very much aware of the seriousness of the social and economic problems of this area of the United Kingdom and is devoting as much as possible of the resources at its disposal to improving this situation, principally by contributing to the creation and safeguarding of jobs.

The dramatic decline in the basic industries in the north east of England has been recognized by the Commission by the inclusion of the counties of Cleveland and Tyne and Wear in the specific measures of the non-quota section of the Regional Fund for areas adversely affected by restructuring of the shipbuilding industry¹ and by the inclusion of Cleveland and Durham in the specific measures for areas adversely affected by restructuring of the steel industry.²

These measures aim to promote new employment creating activities with particular emphasis upon encouraging the establishment and development of small and medium-sized enterprises (SMEs).

Furthermore, this area has benefited from assistance from the quota section of the ERDF, the EAGGF Guidance Section and the Social Fund as well as from subsidies under Article 56 (2) (b) of the ECSC Treaty for the readaptation of coal and steel workers and from reduced-interest loans accorded under Article 56 (2) (a) of the same Treaty for industrial conversion in the areas affected by the decline of the coal and steel sectors.

The EIB and the New Community Instrument also make a contribution by means of loans to finance investments in productive and in the productive sectors in the north east of England.

The contribution of these financial instruments from 1981 to 1983 amounted to £ 113,3 million in grants and £ 34,0 million in loans accorded to the North East of England.

The Commission will continue its action in favour of this area in the future.

* * *

Question No 26, by Mr Harris (H-764/83)

Subject: EAGGF grants on fishing boats in the United Kingdom

Why is there a hold-up in the payment of EAGGF grants on fishing boats in the United Kingdom and what steps are being taken to end the serious delays in payments?

Answer

Responsibility for payment was transferred from the Directorate-General for Agriculture to the Directorate-General for Fisheries in September 1983. As a result of a lack of staff in the department assigned to the work, inadequate supervisory training of the officials and the pressure of other work for which strict deadlines must be observed, there was a hold-up in payment of some four months.

Advantage was taken of this delay to:

- publish rules on payment which were better adapted to the needs of the sector;
- train a small number of officials for this new work;
- begin computerizing the operations.

¹ Council Regulation (EEC) No 2617 of 7 October 1980 as amended by (EEC) No 217 of 18 January 1984.

² Council Regulation (EEC) No 2616 of 7 October 1980 as amended by (EEC) No 216 of 18 January 1984.

There should as a result be an improvement in the schedule of payments, even though the staff available for this work is still below the absolute minimum required.

* * *

Question No 27, by Mr Purvis (H-765/83)

Subject : Euro-Arab dialogue

What steps is the Commission taking to follow up the meeting of OAPEC and European industry representatives in Rome on 18-20 January 1984 on the economic interdependence of Arab and European Community countries, with its emphasis on studying and reporting the following : evaluation of the perspectives for regional integration among Arab countries and improvement of the data base ?

Answer

The Commission did not take part in this particular meeting in Rome. According to our information, this was a private meeting between representatives of an Italian company and OAPEC (Organization of Arab Petroleum Exporting Countries). The Commission is therefore unfortunately not in a position to express a view on the outcome of this meeting.

* * *

Question No 28, by Mrs Boserup (H-768/83)

Subject : Special responsibility for cultural affairs

Page 7 of the Danish version of the January 1984 Directory of the Commission of the European Communities lists cultural affairs as one of the special responsibilities of the Members of the Commission. According to page 10, Mr Robert Gregoire is head of the administrative unit Cultural Questions.

Can the Commission give further details of what is done in this area, state which provision of the Treaty has been used as the basis for creating a Cultural Question unit and, if possible, provide a job description for the post ?

Answer

The activities of the cultural sector are described in the Commission communications to the European Parliament and the Council of 22 November 1977 and 12 October 1982 respectively.¹ Parliament expressed an opinion on these when it adopted two resolutions on 18 January 1979² and 18 November 1983³.

The communications state that Community cultural activity amounts to the application of the EEC Treaty and Community policies in economic and social circumstances in the cultural area. Such application may be general (with measures affecting all sectors, including the cultural sector) or specific (with measures especially aimed at this sector). The honourable Member is referred in particular to paragraph 5 of the communication of 12 October 1982.

Specific measures aimed at the cultural sector include the free trade in cultural commodities (Articles 30-34 of the Treaty of Rome) and the improvement of the living and working conditions of those employed in the cultural sector (Articles 117 and 118 of the Treaty).

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¹ Supplements to the Bulletin of the European Communities, Nos 6/77 and 6/82.

² OJ C 39 of 12 February 1979.

³ OJ C 342 of 19 December 1983.

Question No 29, by Mr Alavanos (H-770/83)

Subject : Creation of a common market in television and radio programmes

A few days ago the Commission circulated a 500-page discussion document on the creation of a common market in television and radio programmes. The Commission's proposals include harmonizing legislation relating to television and radio matter, increasing advertising time, supra-national control of inter-State exchanges and the issuing of a directive by the Council requiring the adoption of rules governing the mass radio and television media in all the Member States. Can the Commission state what basis it had in law for formulating such proposals, since there is no such provision in the Treaties of Rome, and by what right it tampers with the sovereign right of each Member State to shape its own policy on State-controlled mass media, without supra-national interference ?

Answer

1. The creation of a common market in broadcasting, especially via satellite and cable, is one of the Community's most pressing tasks. I would remind the House of its resolution of 12 March 1982 in which it considered that outline rules should be drawn up on European radio and television broadcasting, *inter alia* with a view to protecting young people and establishing a code of practice for advertising at Community level.

In its resolutions of 30 March 1984 on broadcast communication in the European Community (threat to diversity of opinion posed by the commercialization of new media) and on a policy commensurate with new trends in European television, the European Parliament reiterated its call to the Commission to provide a reliable legal framework in which to implement the principles of the Treaty of Rome applicable to the subject particularly the sectors covered by Title 3 (free movement of persons, services and capital) and to submit its promised Green Paper.

2. This Green Paper entitled 'Télévision sans frontières' will deal with the creation of a common market in broadcasting, especially via satellite and cable, and should be submitted to Parliament during the spring. Press reports that the Green Paper is already available are inaccurate.

3. The Green Paper will consider principally the significance of the cross-border movement of services — a principle enshrined in the Treaty of Rome — for radio and television broadcasting, for the companies and for the viewers and listeners. As a result of new technology using cables and satellites, the areas of signal reception have spread beyond national borders. The Commission will examine what restrictions on the freedom to broadcast and hence on the free flow of information and other ideas are already banned under Articles 59 and 62 of the EEC Treaty and what restrictions will have to be removed in the course of the approximation of laws.

The EEC Treaty stipulates, in Article 57 in conjunction with Article 66, that the different legal and administrative provisions of the Member States on taking up and pursuing activities as self-employed persons, and therefore including broadcasting, are to be approximated by the Council acting on a proposal from the Commission and after consulting the Assembly. The purpose is to make it easier for persons to take up and pursue activities as self-employed persons (Article 57, paragraph 1, of the Treaty).

The Commission's Green Paper will therefore consider, for example, how the regulations on radio and television advertising and copyright can be harmonized so that radio and television programmes can be broadcast freely throughout the Community.

4. The sovereignty of the individual Member States will not be eroded but the Treaty of Rome, as it has been interpreted by the Court of Justice of the European Communities, will be applied to broadcasting. This is an urgent task for the Community in view of the challenge of new technologies and the economic importance of the development of new information and communication techniques.

* * *

Question No 31, by Mr Adam (H-783/83)

Subject : Tobacco taxation

What progress has the Commission made in persuading the Italian Government to respect the ruling of the Court of Justice to apply the directives on tobacco tax harmonization?

Answer

It is presumed that the honourable Member's question refers to the failure of the Republic of Italy to apply the provisions of Article 10 (b) of Directive 72/464/EEC of 19 December 1972 under which the specific element of the excise duty on cigarettes must represent at least 5% of the total tax burden.

The Commission took action against Italy under Article 169 of the Treaty, and in its decision of 7 December 1982 (Case 41/82) the Court of Justice ruled that Italy had failed to comply with the directive's requirements.

The Republic of Italy did not adapt its legislation following the Court's decision, and the Commission therefore opened further proceedings against Italy under Article 169 of the Treaty, this time for its failure to implement the Court's decision. Those proceedings have now reached the reasoned opinion stage.

* * *

Question No 32, by Sir Fred Warner (H-42/84)¹

Subject : Property of Community citizens in Greece

Since pursuant to Article 169 of the EEC Treaty, the Commission has decided to proceed against Greece in respect of its legislation on ownership of property in Greek frontier areas, can the Commission say what is the legal basis upon which it has delivered a reasoned opinion to the Greek Government?

Answer

As a result of a number of complaints the Commission examined Greek legislation on ownership of property in frontier areas to see if it complied with Community law. Since it was the Commission opinion that a number of provisions contravened Articles 7, 52, 59 and 48 of the EEC Treaty — although in the latter case subject to Article 45 of the Act of Accession — the Greek Government was asked to comment. Since the Greek authorities did not respond to the Commission's request, it was decided to initiate proceedings under Article 169 of the EEC Treaty, as a result of which the Greek Government will shortly be sent a written warning. After considering the reply to this communication, the Commission will then decide whether a reasoned opinion is called for.

* * *

Question No 33, by Mr Eyraud (H-787/83)

Subject : CAP

In order to release the Community from its *impasse* by rationalizing the CAP, the Commission has asked the Council² to authorize the opening of negotiations within the framework of GATT with a view to the partial suspension of tariff concessions on by-products of the maize industry: maize gluten, residues from brewing, maize seed oil cakes.

¹ Former oral question without debate (0-170/83), converted into a question for Question Time.

² Commission document entitled 'Commission Programme for 1984'.

Why did the Commission not raise at the same time the question of other substitute products for cereals and soya ?

Answer

1. The Commission felt that it was necessary to give priority to maize industry residues, imports of which increased markedly in 1983. They are also by-products of an industrial process with low production costs and sharply fluctuating prices. Not only do they compete on the market with cereals but they also stimulate livestock production, particularly in the dairy sector.
2. With regard to other products which are a substitute for or an addition to cereals, a variety of complex factors must be considered. In the case of certain products such as molasses, bran or manioc, the Community already has the means to control imports (levy, threshold price, voluntary restraint agreements). Furthermore, most of the products in question are genuinely agricultural and trading is not so artificial as in the case of maize residues. Also, developing countries are important suppliers of these products.
3. In the case of soya it must be remembered that this is a product which is rich in protein and which is in short supply in the Community. The importance of soya raises the problem of the profitability of stock-farming and of the effect on prices.
4. The Commission will in any case keep a watchful eye on the imports of substitute products, especially citrus fruit pulp.

* * *

Question No 35, by Mr Bonde (H-790/83)

Subject : Danish agriculture

In 1983 Danish real earnings from agriculture were only 43.3% of 1973 earnings, i.e. before Denmark came under EEC agricultural arrangements. Would the Commission explain how its proposals for new agricultural prices will affect Danish agricultural earnings ?

Answer

The compromise finally reached in the Council on farm prices for the farming year 1984/85 means that agricultural selling prices will rise by 1.5% on average.

In considering the effects of this rise in prices on farm incomes in Denmark, one should naturally also take account of the expected rate of inflation in Denmark in 1984 and the expected improvement in agricultural productivity.

When all these factors are taken into account, I do not think there will be any noticeable change in farm incomes in Denmark in the coming farming year.

* * *

Question No 36, by Mr Kyrkos (H-7/84)

Subject : Amendment to social insurance legislation during a period of crisis

Is the Commission aware of the effects that amendments and alterations to social insurance legislation in the different Member States during a period of crisis can have on immigrants ? What steps has the Commission taken in response to the Belgian Government's bill, which has distressed immigrants in Belgium and incited them to action ?

Answer

1. The Commission has consistently drawn attention to the particular vulnerability of certain underprivileged groups, including migrant workers and their families, in times of economic crisis and it deplores any measures which place an unfair share of the burden on such groups.

2. The Belgian bill referred to by the honourable Member would appear to be one concerning the immigration and integration of foreigners and the acquisition and loss of Belgian nationality. This Bill has yet to pass into law, but if it does so in its present form it will not affect social security law. It will, for example, regulate certain aspects of family reunion and limit the right of foreigners to stay in certain municipalities. The Bill appears to recognise and respect the precedence of Community law in matters concerning migrant workers of Community origin and their families.

3. The Commission understands the growing concern of foreign workers within Belgium, whose legal rights will be modified for a second time within the space of less than three years if this Bill passes into law, and whose integration may well be made more problematic.

* * *

Question No 39, by Miss Hooper (H-14/84)

Subject: Application procedure for research and development projects

Many Community funded research projects which are open to applications from research and university institutes in the Member States are announced to the public too late, in many instances, for potential applications to be made, due to the elongated application procedure which requires 20 copies in two languages: in addition, the time for presentation of the application is usually very close to the time of the announcement.

Can the Commission state whether or not it is satisfied with this state of affairs, and whether it would consider easing the application times for research projects?

Answer

Although some difficulties for individual applicants making research funding proposals within the given time limits may occur, the Commission considers the existing procedures for Community research funding to be basically satisfactory. The procedures are looked at regularly in order to improve them. They have to take into account not only the interests of potential applicants, but also the need for real progress in the areas of Community research and for a timely execution of the annual research budget.

Experience shows that the number and volume of research projects submitted in time for Community funding exceed generally by far the existing financial possibilities. Research projects which for procedural or other reasons have not been accepted may, however, be taken into consideration in the context of a subsequent call for research proposals.

As regards the number of required copies it is, for reasons of expediency, suggested that applicants submit proposals in two Community languages and three copies.

The procedural details are described in the 'Vademecum of contract research' of which a second edition is under preparation and which should help potential applicants.

Question No 41, by Mr Delorozoy (H-18/84)

Subject: Commission response to the action brought by the Bethlehem Steel company

At the beginning of February, the American company Bethlehem Steel applied, under the safeguards clause of the Trade Act, for an injunction which calls into question all imports of steel into the United States, including those covered, as from 1982, by a quantitative limitation agreement between the EEC and the American Government — which the Community has observed to the letter. The current legal proceedings contravene this

agreement, since it was officially specified that an action of this type would entitle the Community to terminate it. Has the Commission warned the American Government of the serious consequences which would follow from any encroachment on the American market shares guaranteed to EEC producers under the 1982 agreement, and has it enquired whether steps would be taken to protect the rights of the EEC producers, who are in no way responsible for this situation?

Answer

1. The Commission agrees with the honourable Member that the undertakings given by the Community under the terms of the Arrangement of 21 October 1982 between the Community and the United States have been observed to the letter. The ceilings fixed for Community exports have been respected with regard to both the total volume of exports and the various categories subject to quota restrictions. It must also be pointed out that since the arrangement came into force US imports from the Community dropped by 16% between 1982 and 1983.

2. As the honourable Member points out, the terms of the arrangement — and in particular Articles 2(b) and 2(c) — allow the Community to terminate the arrangement for all or some of the products covered in the event of any new procedures, especially under the safeguards clause in Section 201 of the 1974 Trade Act, which might be initiated during the validity of the arrangement. The decision to terminate the arrangement can in any case be taken only after the United States has been consulted by the Community, and at the earliest two weeks after such consultations.

3. At the behest of the Council the Commission began these negotiations with the United States on 2 and 3 February of this year. The opportunity was taken to express our disappointment at Bethlehem Steel's application for an injunction in spite of the existence of the arrangement. The Commission urged the American authorities to respect the rights of the Community under the terms of the arrangement and it reserved the right to terminate the arrangement in accordance with Articles 2(b) and 2(c).

* * *

Question No 42, by Mr Curry (H-19/84)

Subject: Compulsory use of materials — Accession of Spain

Under Royal Decree 369/1982 of 12 February 1982, the Spanish tobacco industry is required to incorporate a certain percentage of Spanish tobacco in the manufacture of tobacco goods. Does the Commission believe that compulsory use of materials is in conflict with the decisions of the European Court of Justice in the 'milk powder cases' 114/76, 116/76 and 119-120/76?

Are there any other laws operating in Spain that compel the use of materials of Spanish origin which would have to be rescinded to enable Spanish law to be in conformity with the Treaty of Rome?

Answer

1. It is barely in doubt that a measure such as that described by the Member should be regarded as having equivalent effect to a quantitative restriction on trade between Member States and, consequently, prohibited under the Treaty rules on the free movement of goods.

2. The Commission does not have precise information on all Spanish national laws. It would point out that Spain will be required, on its accession, to respect Community practice, barring temporary derogations or transitional measures established by mutual agreement during the negotiations.

* * *

Question No 43, by Mr Fernandez (H-22/84)

Subject : Exports of wheat

Under pressure from the Americans the Commission voluntarily restricted the volume of sales of wheat grains (other than food aid) to third countries in the 1982-83 marketing year to 12.4 million tonnes. This decision penalized the producers and generated additional storage costs for the Community budget. Has the Commission lifted this voluntary restraint in the current marketing year ?

Answer

For the 1982-83 marketing year the Commission felt that it was necessary, where cereal exports were concerned, to take a responsible approach in line with the situation of the world market. In view of the over-supply of the world market it was felt inadvisable, even for the Community, to make matters worse by indulging in reckless and excessive selling. This unilateral gesture was rightly appreciated by other exporting countries, including the United States, which also attempted to curb production.

The Commission has not opted for voluntary restraint for the current marketing year but it is obvious that it will not fail to maintain a responsible stance with regard to its international obligations within GATT and it will not pursue an export policy which would be unreasonable in the light of the world market situation.

* * *

Question No 44, by Mr Lücker (H-25/84)

Subject : Negotiations on Spanish accession in the fruit and vegetables sector

Can the Commission confirm press reports according to which the negotiating basis for arrangements in the fruit and vegetables sector on Spain's accession to the Community provides for a transitional period of ten years in all, during which the Commission would set up a Community monitoring system to supervise trade with Spain which would enable it to seal its frontiers within 24 hours if requested to do so by a Member State and, if so, on what grounds can the Commission justify this unilateral measure which excludes any involvement of its partner ?

Question No 46, by Mr Früh (H-28/84)

Subject : Negotiations on Spanish accession in the fruit and vegetables sector

Can the Commission confirm the press reports according to which the negotiating basis for arrangements in the fruit and vegetables sector on Spain's accession to the Community provides for a ten-year transitional period, including an initial four-year period during which imports from Spain would be subject to less favourable conditions of access to the Community market than non-Community Mediterranean countries' exports, and if so, on what grounds can the Commission justify this position ?

Joint answer

As part of the negotiations on the accession of Spain to the Community, the Spanish delegation was given on 21 February 1984 a statement containing Community proposals for the organization of the transitional period in agriculture. The different measures are based on a transitional period which will last for ten years in all. With regard to the specific category of fruit and vegetables, the Community has proposed a two-stage transitional period during these ten years. Furthermore, the Community has proposed the introduction of complementary trade arrangements which may take the form of a system to monitor exports from Spain to the current Ten Member States and from the Ten to Spain.

This system would apply only to those products whose markets are particularly sensitive. The list of products will be drawn up at a later stage of the negotiations, and this means that no decision has yet been taken with regard to fruit and vegetables. As for the operation of the system, at the request of a Member State — in which case action must be taken within 24 hours — or on its own initiative the Commission may take interim precautionary measures which market circumstances might require until such time as the relevant management committee — consisting of representatives of the Member States — can give its opinion on the advisability of particular measures.

In view of all the factors involved, it is difficult to contemplate unilateral action by the Commission without any consultation of the Member States.

* * *

Question No 45, by Mr Hume (H-26/84)

Subject: Integrated operation for the Northwest of Ireland frontier region

Will the Commission make a statement about the proposal by the Foyle-Donnegal-Strabane Coordinating group to make a feasibility study of an integrated operation for the Northwest of Ireland frontier region, and what communications have taken place between the Commission and the Irish and British governments in respect of this proposal?

Answer

The Commission's attitude to the proposal for an integrated operations feasibility study in the North-west frontier region of Ireland remains favourable.

The area, because of its remoteness and lack of natural resources, suffers from severe economic difficulties. The study proposed by the Foyle-Donnegal-Strabane Co-ordinating Group provides the Commission with an opportunity to look in depth at the special difficulties of the area and to test how an integrated approach to the problems might help to resolve them. The unique cross-border elements of the study are a further interesting factor.

As is normal with studies of this type, the Commission would wish to be assured before proceeding, that the proposal has the broad support of the national authorities concerned. This is particularly important in this case in view of the scope of the study and its special cross-border aspects. Consequently the Commission has written, on 16 January 1984, to both the British and Irish Governments seeking confirmation on this point.

* * *

Question No 48, by Mr Seligman (H-29/84)

Subject: Collaboration between US National Aeronautics and Space Administration and the European Space Agency

What steps is the Commission taking to assist ESA to respond to the invitation by the Director of NASA, following his tour of European capitals, to collaborate in manned space stations and in accordance with Parliament's resolution in the report by Mr Turcat on European Space Policy?

Answer

The subject of collaboration between the US National Aeronautics and Space Administration (NASA) and the European Space Agency in development of possible manned space stations was discussed by Ministers of Research at the Council of 28 February 1984, that is, prior to the tour of European capitals by the NASA Administrator.

There was a consensus that concertation should take place within an ESA framework, a position that was clearly presented to the NASA Administrator during his tour.

The Ministers decided to discuss the situation again at their meeting, foreseen for the end of May.

The Commission will continue to follow the development of the situation in the closest collaboration with the European Space Agency.

* * *

Question No 49, by Sir Peter Vanneck (H-32/84)

Subject: Afghan Uranium Production — IAEA Inspections

Press Reports indicate that Afghanistan became a producer of uranium during 1983. Given that Afghanistan agreed safeguards with the International Atomic Energy Agency, 20 February 1978, what plans has the Agency to inspect Afghan uranium production facilities?

Answer

The Commission is not in a position to answer this question. It would suggest that the honourable Member address it directly to the International Atomic Energy Agency.

* * *

Question No 50, by Mr Protopapadakis (H-41/84)

Subject: Outcome of the latest Community summit meetings

In view of the fact that the events which prevented a successful conclusion to the latest Community summit meetings enable the anti-European movement to present the Community as an organization in the process of disintegration, does not the Commission take the view that it would be appropriate and a more accurate reflection of the real situation to project not only the negative aspects but also the optimistic view of these events as a crisis of development rather than of disintegration, which is evidenced by the fact that the antagonistic Member States are seeking to improve their positions *within* the Community, i.e. the forces in operation are centripetal in relation to the Community and not centrifugal, disintegrative ones?

Answer

The Commission pays particular attention to the matter raised by the honourable Member. As a result it has always attempted to take a calm view of things after the successive failures of the summit meetings in Athens and Brussels. This desire to take a calm approach so that the best possible climate for seeking solutions can be created cannot however cause the Commission to ignore the real situation. It is for the Commission to state things as they are without minimizing or exaggerating the situation. Intellectual integrity of this kind is in keeping with the Commission's task of serving the common good, and inaccurate and tendentious statements by those who oppose the Community will do nothing to change this.

* * *

Question No 52, by Mr Eisma (H-45/84)

Subject: European economic incentive policy

Is the Commission aware of the D-66's plan for a European economic incentive policy and what view does it take of the setting-up of a temporary committee for the inventoriza-

tion of European projects composed of independent experts, like the Wagner Committee in the Netherlands, which would be responsible for making an inventory of European projects eligible for Community support, as advocated in the plan, and does the Commission intend to submit proposals to the Council for a European economic incentive policy?

Answer

The Commission is aware of the document published by D-66 on 22 March 1984 on the subject of a European economic incentive policy.

On 27 March, during the debate in the House on the programme for economic revival, Mr Ortoli outlined the Commission's ideas on the action to be taken to achieve this. With regard to borrowing and lending policy, he firmly emphasized the importance of the contribution to investment policy that can be made by the Community. It is the view of the Commission that there is no call at the moment for the setting up of a temporary committee — like the Wagner Committee in the Netherlands, for example — for the inventorization of European investment projects.

The fact is that when projects which are genuinely European in scope — and they are few and far between — progress beyond the stage at which mere intentions are expressed, they are often already known to the Commission and to the European Investment Bank. Furthermore, inasmuch as such projects satisfy the conditions of the Community loan instruments (ECSC, EIB, NCI, Euratom), they can obviously be submitted for financing under the terms of these instruments.

In response to the mandate conferred by the European Council when it met in Stuttgart on 17-19 June 1983, especially in connection with policies likely to boost economic revival, the Commission had already indicated in its draft annual report for 1983-84 the procedures for consolidating recovery in Europe. The report was adopted by the Council last December, after Parliament had been consulted.

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II. Questions to the Council

Question No 54, by Mr Cousté (H-397/83)

Subject: Milk production quotas and the CAP

Does the Council consider that milk production quotas would be a blow struck against the CAP?

Answer

As the honourable Member knows, the Council received a proposal from the Commission designed to limit to a certain level the Community financial guarantee for quantities of milk produced. Parliament issued its Opinion on this subject on 15 March 1984 and in so doing stressed its concern over the growth in production surpluses and in the resulting stocks, particularly in the cereals and milk sectors, and strongly urged that from 1984 onwards measures be taken to limit the guarantees for milk and milk products. Similar measures to limit the Community financial guarantee to certain maximum quantities produced also now exist for various agricultural products subject to common organization of the market.

Following lengthy discussion of the Commission proposal, the Council adopted, on 31 March 1984, a Regulation amending the basic Regulation No 804/68 on the common organization of the market in milk and milk products. This Regulation, which does not strictly speaking set up actual quotas, introduces, for a period of five years, an additional levy to the co-responsibility levy, affecting quantities of milk delivered beyond a guarantee threshold.

In taking this course of action the Council does not consider that it has struck a blow at the basic principles and objectives of the common agricultural policy but that it has taken measures to restore balance in the milk sector, as indeed requested by Parliament, in order to avoid an excessive financial burden and market difficulties, and has thus carried out a necessary adjustment of the common agricultural policy.

* * *

Question No 59, by Mrs Lizin (H-689/83)

Subject: Appointment of the Belgian judge to the Court of Justice

Can the Council say why the appointment of the Belgian judge to the Court of Justice has not yet been made and what reasons there are for this delay?

Answer

The appointment of judges to the Court of Justice of the European Communities is the responsibility of the Governments of the Member States, which appointed a new member to the Court of Justice on 26 March 1984.

* * *

Question No 64, by Mrs Van Hemeldonck (H-781/83)¹

Subject: Supervision and control of the transfrontier shipment of hazardous wastes within the European Community

Can the Council say whether there is any truth in reports that it is under pressure from a group of large insurance companies to prevent the above regulation on the transfrontier shipment of toxic and hazardous wastes from including provisions to the effect that liability lies with the producers?

Answer

The very complex problem of the liability of producers has always been the subject of discussion within the Council, and considerable progress was registered at the Council meeting on 1 March 1984.

* * *

Question No 65, by Mrs Hammerich (H-710/83)

Subject: European Space Community

On Wednesday, 8 February 1984, the newspaper 'Information' quoted a report by the press agency AFP stating that the President of the Council, while on his tour of the Community's capitals at the start of his presidency, has been calling for the creation of a 'European Space Community'. There would be a manned 'European space station' to monitor, provide warning of and counter 'any threat', and this would represent a 'great step towards self-reliance in defence'. Defence matters are expressly excluded from the responsibilities of the Community's institutions.

How does the French Presidency propose to establish a European Space Community able to send up a space station to strengthen European defence? What article in the Treaty of Rome entitles the President of the Council of the European Communities to put forward such proposals. And how does the President think he can persuade his colleagues on the Council — including the Danish Prime Minister — to accept such plans?

¹ Former oral question without debate (0-152/83) converted into a question for Question Time.

Answer

The proposal referred to by the honourable Member was made by Mr Mitterrand in his capacity as President of the French Republic and has not been discussed by the Ten.

* * *

Question No 66, by Mr Vandewiele (H-740/83)

Subject: Construction of a permanent cross-Channel link

What are the Council's intentions with regard to the construction of a permanent cross-Channel link, for which it allocated an appropriation of 500 000 ECU out of the Community budget in December 1982 for a financial feasibility study?

Answer

Pursuant to Council Regulation (EEC) No 3600/82 of 30 December 1982 the Community granted its financial support — of 500 000 ECU — to cover, in respect of a fixed cross-Channel link, the cost of 'work on the technical aspects for use in appraisal of the project by the banking institutions'.

Apart from this financing, while recognizing the potential value of the construction of a fixed cross-Channel link in encouraging intra-Community traffic and trade, the Council has not yet been required to take a position on the conditions under which the project could be implemented. It should be noted that the Council has not received any proposal from the Commission on this subject.

* * *

Question No 69, by Ms Quin (H-727/83)

Subject: The shipbuilding industry in the EEC

When did the Council last discuss shipbuilding and what were the results of its discussions?

Answer

With regard to the shipbuilding industry, and in particular the matter of aid to that industry, the most recent discussions took place in December 1982 when the Council adopted Directive 82/880 extending until 31 December 1984 the 5th Directive on aid to shipbuilding.

In addition, on 18 January 1984 the Council adopted a regulation amending Regulation (EEC) No 2617/80 instituting a specific Community regional development measure contributing to overcoming constraints on the development of new economic activities in certain zones adversely affected by restructuring of the shipbuilding industry.

Under this regulation, aid amounting to 230 m ECU over five years will be paid for operations to assist economic conversion activities in regions in the following countries: Belgium, Federal Republic of Germany, Luxembourg, Italy, the United Kingdom and France.

* * *

Question No 70, by Mrs Le Roux (H-733/83)

Subject: Consultation of the European Parliament

In accordance with the provisions of Regulation (EEC) No 858/81, the Council is currently considering the operation of the import arrangements for New Zealand butter for the period 1984-1988 on the basis of a proposal from the Commission.

Although the Council's discussions have already been in progress for more than three months, the European Parliament has still not been consulted. Is the Council ever going to consult the European Parliament on this important issue?

Answer

The Commission's proposal on this subject was submitted to the Council under the 1972 Act of Accession, and in particular Article 5 (2) of Protocol 18 annexed to that Act. Article 5 (2) makes no provision for automatic consultation of the European Parliament on the question raised by the honourable Member.

* * *

Question No 71, by Mr Wurtz (H-734/83)

Subject: American offensive in the agricultural markets

In its answer to my oral question (0-361/83)¹ the Council declared its willingness to continue its action by examining all possible avenues open to it, particularly as regards the subsidized sales of dairy products to Egypt. Can the Council say what measures have been taken to curb this American offensive and what results have been obtained?

Answer

Since last summer there have been no further operations in dairy products by the United States of the kind to which the honourable Member refers. The Community has directed its efforts towards reaching a better understanding with the United States as to the precise nature of the divergences separating us, with regard to trade in agricultural products. In particular, the Community has held bilateral talks and has taken part in the multilateral GATT discussions, with a view to achieving greater clarification of the interpretation of GATT rules on agricultural subsidies.

* * *

Question No 72, by Mr Maffre-Baugé (H-735/83)

Subject: Taxation of wine

On 12 July 1983 the Court of Justice handed down a judgment (Case 170/78) finding the United Kingdom guilty of a breach of the Treaty establishing the EEC and noting in particular that: 'the effect of the United Kingdom tax system is to stamp wine with the hallmarks of a luxury product, which, in view of the tax burden which it bears, can scarcely constitute in the eyes of the consumer a genuine alternative to the typical domestically produced beverage'.

Does the Council intend to take account of this judgment by harmonizing the excise duties on alcohol, particularly those on wine and beer?

Answer

The Council broke off its discussions on the harmonization of excise duties on alcoholic beverages in October 1981 to await the judgments of the Court of Justice and in order to be able to take them into account when continuing its discussions.

* * *

¹ Debates No 1-304, p. 177.

Question No 73, by Mrs Poirier (H-736/83)

Subject : Import of cereal substitutes

The Commission has finally proposed to the Council that consultations and negotiations be opened within GATT with a view to stabilizing imports of the by-products of the maize industry, in particular corn gluten feed. Does the Council intend to empower the Commission to request the complete and definitive unbinding of the duty-free rating currently applied?

Question No 80, by Mr Eyraud (H-786/83)

Subject : CAP

In order to break the deadlock within the Community by rationalizing the CAP, the Commission has asked the Council⁽¹⁾ for authorization to open negotiations within GATT for the partial suspension of tariff concessions in the by-products of the maize industry: corn gluten, draff and maize germ cake. Why has the Council refused to give the Commission the necessary authorization?

Joint answer

The Commission has proposed to the Council that negotiations be opened under Article XXVIII of the GATT with a view to the temporary and partial stabilization of imports of the products in question. The Commission considers this action to be the counterpart to its proposals concerning cereals, which involve sacrifices for Community producers, in particular through a price policy one of whose aims is to reduce the gap between the Community's prices and those of the EEC's main competitors. The Commission is aiming at a partial stabilization, as the volume of traditional imports would continue to be zero-rated; the stabilization would be provisional until world and Community cereal prices were harmonized.

The Council examined this proposal at its meeting on 20-21 February and 12-13 March and approved it on 31 March as part of the series of decisions concerning the common agricultural policy.

* * *

Question No 74, by Mr Kaloyannis (H-753/83)

Subject : ERDF (non-quota section) assistance for the Greek economy

Can the Council state whether the reason why the Greek textile industry, the ready-made clothing industry and the iron and steel industry are ineligible for assistance from the Community's Regional Development Fund (non-quota section) to help cope with the consequences of Community enlargement — assistance estimated to be of the order of two thousand million drachmas — is that the relevant data requested by the Commission as of November 1982 were not submitted in time by the Greek Government? If this in fact was the case, is there still some way, and time, to rectify this error, so that this blow need not be sustained by the disadvantaged Greek economy and the blameless Greek people?

Answer

When adopting the second series of 'non-quota' Regulations, the Council, taking due account of the European Parliament's Opinion, applied objective criteria for assessing which areas were eligible for non-quota measures. As can be seen from the explanatory memorandum to the Commission proposal, provision has been made for including certain areas of Greece once the necessary information has been supplied to the

¹ Commission document entitled 'Commission Programme for 1984'.

Commission by the Greek authorities. The Council will act on this matter if and when the Commission, on the basis of objective information, submits proposals for the extension of these measures to the areas affected in Greece.

* * *

Question No 76, by Mr Martin (H-760/83)

Subject: American wine imports into the Community

The Commission has recently drawn up a proposal for a regulation on the marketing or delivery for direct human consumption of certain imported wines which have been the subject of wine-making practices not laid down in Regulation (EEC) No 337/79.

In its explanatory memorandum, the Commission states that it did not deem it necessary to consult the bodies representing the various professional groups and consumers. Does the Council intend to consult the European Parliament on this important proposal for a regulation?

Answer

The Council has not yet received any Commission proposal on the matter referred to by the honourable Member.

* * *

Question No 78, by Mr Lagakos (H-773/83)

Subject: Part-session in Strasbourg on 13-17 February (shortage of Greek officials)

During the part-session of Parliament from 13-17 February 1984, publication of the Greek edition of the daily bulletin 'Today's Sitting' had to be interrupted owing to 'a shortage of editorial staff' in the Greek section of Parliament's Publications and Briefings Division.

The same thing has happened in the past in departments of other Community institutions, such as the Council's interpretation service, and it was particularly noticeable during the Greek Presidency, when the requirements were greater.

Does not the Council think that the balance should be restored and that recruitment policy in all the Community institutions should be so designed as to take account of actual service requirements and fair distribution of posts by nationality?

Answer

The third paragraph of Article 27 of the Staff Regulations stipulates that 'no posts shall be reserved for nationals of any specific Member State'; a quota for each nationality is not possible, therefore. Certain posts are, on the other hand, allocated on the basis of a given language; this is the case in particular for the Language Service, which in the Council comprises only translators and revisers and does not include interpreters. The Greek Language Division in the General Secretariat of the Council has the same staff complement as the other Divisions. I would point out that the interpretation service for the Council is provided by Commission officials or other servants.

* * *

Question No 79, by Mr Tyrrell (H-785/83)

Subject: Construction by the Council of a building in Brussels.

On 20-21 January the Council agreed to construct a new building for itself in Brussels, the Council becoming the owner of the site and building on completion of the work. What implications, if any, does this decision to purchase, rather than rent, have for establishing the seat of the Institutions.

Answer

The Council decision to which the honourable Member refers in no way prejudices a decision by the governments of the Member States fixing the seat of the Institutions.

* * *

Question No 81, by Mr Forth (H-4/84)

Subject: Detention of prisoners in ACP countries

In the light of public concern regarding the detention of prisoners in ACP countries, and particularly Guinea, for prolonged periods of time without trial and without contact with their families, what means are available or are contemplated to address this problem, and will it be covered in the negotiations of Lomé III?

Answer

With regard to ACP-EEC co-operation, the Council considers that respect for human dignity, as defined in the Universal Declaration of Human Rights and in the European Convention and the African Charter on Human Rights, is an objective which must be regarded as of central importance to the concept of development.

The Council therefore instructed the Commission to negotiate the inclusion of a reference to these instruments in the future Convention between the Community and the ACP States.

The Community's efforts in this respect have already borne fruit; since at the opening session of the negotiations in Luxembourg on 6 and 7 October 1983 the ACP States affirmed their 'strong and unfailing commitment to that ideal' and their readiness to examine this matter during the negotiations.

As the negotiations have only just been started, and their aim is to arrive at an overall text on future relations between the Community and the ACP States, it does not seem appropriate at this stage to prejudice the formal solutions which will be reached on the matter.

* * *

Question No 82, by Mr Jackson (H-701/83)

Subject: Imports of fresh strawberries from ACP States

Can the Council of Ministers explain on what grounds certain Member States defend tariff discrimination in favour of Israel, which pays a duty of 5.6% on its exports of off-season strawberries, in comparison to the 14% payable by ACP producers? Why has the Council of Ministers not agreed to the reduction or removal of this tariff which is the single most important factor limiting the growth of strawberry exports from countries such as Kenya and Zambia?

Answer

Having received a Commission proposal for special arrangements for the ACP States with regard to their exports of strawberries to the Community in the European off-season, the Council recently held a policy debate on this topic in the framework of preparations for ACP-EEC discussions. Following this debate, a favourable position was reached on a solution consisting of granting a reduced-duty tariff quota in the off-season.

The Council has now requested the opinion of the European Parliament on this proposal and would be grateful if this opinion could be delivered by the end of May, so that the Council may take a decision in time for the ACP States to benefit from such special arrangements for the 1984-1985 off-season.

* * *

Question No 83, by Mrs Ewing (H-12/84)

Subject: Fishery matters between the Community and Lomé countries

Would the Council inform Parliament of the state of preparation for improved relations in fishery matters between the Community and the countries of the Lomé Convention?

Answer

For many ACP States the exploitation of fishery resources is an important link in the chain of food self-sufficiency and security and a significant source of foreign currency for their development as a whole. Since the creation of exclusive economic zones following the Conference on the Law of the Sea, the Community has concluded fishery agreements with several ACP States. In addition to the payment of dues in exchange for fishery facilities, these agreements generally make provision for financial and technical aid measures for the sector concerned.

The Community is approaching the problem of fisheries in the EEC-ACP negotiations with this mutual interest in mind. It would like to include in the new Convention a commitment by both parties to conclude bilateral fishery agreements on mutually satisfactory terms which do not discriminate against the Community; the terms granted to it would not be less favourable overall than those granted by the ACP States concerned to any other State not party to the Convention, with an exception being made for special arrangements between neighbouring developing countries in the same sub-region.

The ACP States recognize that there is mutual interest in concluding fishery agreements in this area; a specimen agreement — which would not be binding on the parties to the bilateral agreements — would be drawn up and would comprise minimal provisions aimed at harmonizing the policies and practices followed. The ACP States have for their part again asked for some relaxation of the rules of origin for fishery products, particularly as regards the definition of vessels. They have also expressed their concern at the impending enlargement of the Community to include Spain, which has a substantial fishing fleet.

* * *

Question No 84, by Mrs Squarcialupi (H-21/84)

Subject: Action to combat drug abuse

At the meeting of the Council of Foreign Ministers held on 12-13 March a Member State — Italy, to be precise — put forward specific proposals for measures to combat drug abuse, basing itself in part on the European Parliament resolutions of 10 March 1980 and 11 May 1982.

Can the Council outline the content of these proposals and indicate the action it intends to take on them, bearing in mind the extreme urgency and gravity of the drug problem in our society, especially among young people?

Answer

1. The Council is aware of the seriousness of the drug problem, particularly among young people.
2. The responsibility for dealing with this problem lies in principle with the Member States, which are cooperating closely with one another in the matter, in particular within the framework of a group of representatives of governments which was set up on the initiative of the former President of the French Republic, Mr Pompidou.
3. The Council does not at present have before it, following the exchange of views which took place in the Council at its meeting on 12 and 13 March, any Commission proposals or communications regarding provision for Community action in the matter.

* * *

III. Questions to the Foreign Ministers

Question No 89, by Mr Alavanos (H-685/83)

Subject : Effective condemnation of Denktash's pseudo-state

Following Denktash's illegal declaration of a so-called Turkish-Cypriot State, the Ten did no more than deliver a verbal condemnation and failed to take concrete measures to discourage effectively this action by Denktash. On the contrary, products from the occupied northern sector of Cyprus continue to enter the Community freely and none of the previously existing trade arrangements have been suspended. Can the Foreign Ministers meeting in Political cooperation state what concrete sanctions they intend to take to demonstrate their effective condemnation of Denktash's pseudo-state and their support for Resolution 541 of the UN Security Council ?

Answer

The Ten wasted no time in condemning categorically the unilateral declaration of independence of the so-called Turkish Republic of Northern Cyprus. On that occasion they reiterated their unconditional support for the independence, sovereignty and territorial integrity of the Republic of Cyprus.

In a verbal note to the Council the Government of the Republic of Cyprus asked for association arrangements to be restricted exclusively to Cypriot exports with certificates of origin issued by the customs authorities of the Republic of Cyprus.

Following the verbal note of the Government of the Republic of Cyprus of 28 November 1983, the Commission forwarded to the customs authorities of the Member States on 21 February 1984 — to take effect on 1 March 1984 — the new stamps and signatures of the Republic of Cyprus.

* * *

Question No 90, by Mr Kallias (H-714/83)¹

Subject : Persecution of Greeks in Albania

Whereas although it has quite rightly concerned itself with the situation in extremely remote parts of the world, the European Parliament has not systematically discussed the situation in Albania, which is in Europe, nor has the Community taken any action in this respect.

Whereas, moreover, although the problem of the freedom of Greek Northern Epirus, which is still under Albanian subjugation, falls outside both the scope of debates in the European Parliament and the purview of the Community institutions, the Albanian regime's treatment of the Greek population in Northern Epirus should be a matter for consideration by the Foreign Ministers.

Have they taken or do they intend to take action

1. to enable the hundreds of thousands of inhabitants of Northern Epirus to practise their religious faith freely and to secure the opening of all Christian places of worship ?
2. to enable the Greek schools to function ?
3. to enable the inhabitants of Northern Epirus to communicate freely with their relatives resident in Greece ?
4. to secure the release of the thousands of political detainees interned in prisons or concentration camps who are tortured because of their ethnic origin, their religious faith and their ideological convictions ?

¹ Former oral question without debate (0-122/83) converted into a question for Question Time.

Answer

Although the Ten have not discussed the specific case of the Greek minority in Albania, their condemnation of violations of human rights, wherever they may occur, is well known and has been restated on numerous occasions.

* * *

Question No 91, by Mr Pöttering (H-725/83)¹

Subject: Sentences imposed on civil rights activists in the Soviet Union

According to reports in the press, several civil rights activists have again been sentenced in the Soviet Union. The Catholic priest Sigitas Tamkevicius from Lithuania has been sentenced to six years' imprisonment and four years internal exile for 'anti-Soviet agitation and propaganda'. The Latvian Baptists, Janis Rozkalns and Janis Veveris have received five years in a labour camp plus three years' internal exile and four years in a labour camp, respectively. They were accused of Latvian nationalism. Tatiana Trusova, a teacher, has been sentenced to 18 months in a labour camp. Her husband, Victor Grinev, is currently serving a six year sentence for 'slandering the Soviet state'. Finally civil rights activists Sergei Khodorovich and Vladimir Albrecht have each been sentenced to three years in a labour camp for slandering the Soviet state. Is the President of the Foreign Ministers meeting in political cooperation aware of these cases and do these amount to violations of the Final Act of the Helsinki Conference on Security and Cooperation in Europe? Are the Foreign Ministers prepared to take action on behalf of the persons concerned?

Answer

The Presidency is aware of the sentences passed on the persons mentioned by the honourable Member. They run counter to the undertakings that were given in the Helsinki Final Act and in the document closing the Madrid Conference.

The Ten have on several occasions made representations to the Soviet authorities in order to express their concern at the repeated violation of human rights and fundamental freedoms in the USSR and they will continue to do so. In this connection, they will not fail to monitor the cases to which the honourable Member has referred.

* * *

Question No 92, by Mr Radoux (H-762/83)²

Subject: Progress to be made towards greater integration between European political cooperation and the Council of the Community

1. Political cooperation, which originated in discussions between governments, has now developed into full-scale coordination of the foreign policies of the Member States of the Community on many topical issues and within the United Nations.

This development has necessitated in the interests of consistency, effectiveness and rationalization, a certain involvement of the institutions created by the Treaties in the political activities of the Ten.

¹ Former oral question without debate (0-137/83) converted into a question for Question Time.

² Former oral question without debate (0-139/83) converted into a question for Question Time.

For example :

- the involvement of the Commission in the work of political cooperation,
- the debates of the European Parliament and the dialogue between Parliament and the presidency of the Council on political cooperation,
- the discussion of aspects of political cooperation at meetings held on the fringes of or complementing Council meetings.

2. In other words rapprochement already exists. It would be logical to progress towards integration, since certain problems cannot be understood properly unless they are considered in all their ramifications as is the case of the Euro-Arab dialogue, the Middle East, North-South and East-West relations, and the situation in Latin America, Turkey, Cyprus, Ethiopia etc. This gradual integration should not, however be used as a pretext to replace existing Community procedures by looser forms of intergovernmental consultation.

3. This situation ought to help make political cooperation more effective :

- by giving it in the context of discussions between Member States, the importance it ought to have in relation to other activities deriving from the Treaties,
- by reducing the excessive role played by the Presidency and thus ensuring greater continuity in political cooperation,
- by rationalizing communication procedures within the Community.

4. Would the Foreign Ministers meeting in political cooperation consider, to this end,

- providing political cooperation with a nucleus of permanent staff (attached to the General Secretariat of the Council) which would summarize the conclusions of the groups and the Political Committee for subsequent discussion and adoption by the Ten,
- holding meetings of working groups and the Political Committee at the headquarters of the Council rather than in the capital city of whichever country holds the presidency,
- extending the method of the 'troika' to all meetings and discussions held in the context of political cooperation,
- making it a general rule to devote part of all Council meetings of Foreign Ministers to political cooperation,
- involving the representative of the Commission (when there is a delegation of that institution on the spot) in the discussions held by the Ambassadors of the Ten in third countries,
- submitting to the European Council dossiers summarizing the wide implications of political cooperation and issues arising from Community action ?

Answer

In recent years the Member States of the Community have been anxious to improve the working methods of political cooperation so that it may operate in the most effective manner. The London report of 1981 and the Solemn Declaration on European Union have illustrated the Ten's desire to equip themselves with adequate resources to promote and facilitate the steady development of common positions and initiatives in an increasing number of areas of foreign policy.

In practice, several suggestions put forward by the honourable Member have already been implemented :

- at meetings of the European Council the Heads of State and Government always spend some time discussing matters which come under political cooperation ;
- at Council meetings the Foreign Ministers are considering with greater frequency topical issues of political cooperation ;

- the Commission takes part in all political cooperation proceedings and also attends meetings of the Ten's ambassadors in third countries where there is a Commission delegation ;
- the 'troika' arrangement is used for political contacts between the Ten and certain third countries or groups of third countries ;
- the creation of a Presidency support group in 1982 has helped to ensure greater continuity in political cooperation.

The Ten will take note of the other proposals made by the honourable Member. They would like to emphasize — as they did in the Stuttgart declaration — the importance at every level of greater consistency and close coordination of the existing structures of the European Communities and European political cooperation.

* * *

Question No 93, by Mr Habsburg (H-640/83)

Subject : Situation of the ethnic Germans living in the People's Republic of Poland

Are the Foreign Ministers aware that of the approximately one million Germans living in the People's Republic of Poland, some 200 000 wish to emigrate to the Federal Republic of Germany and when they have made requests to this effect have, in countless cases, been subjected to severe pressure from the Polish authorities ; do they know that a systematic policy of eradicating the German language is being carried out in Poland and are they prepared, given the special responsibility of the European Community for developments in Poland, not least as a result of the massive economic aid from the Community, to make representations to the government in Warsaw to change this policy which conflicts with human rights ?

Answer

This matter directly concerns a Member State and has not been discussed in the context of European political cooperation.

* * *

Question No 95, by Mr Plaskovitis (H-707/83)

Subject : Proposals concerning Poland by the Foreign Minister of the Federal Republic of Germany

According to the Greek and international press, the Foreign Minister of the Federal Republic of Germany submitted proposals concerning Poland which were then refined upon by a Council working party in Paris. What do the Foreign Ministers meeting in political cooperation know of these proposals and what can they reveal to Parliament of their contents and the position the Ten are likely to adopt ?

Answer

The Ten are paying careful attention to the situation in Poland and the matter is raised regularly in the context of political cooperation. The honourable Member is doubtlessly referring to an aid project for Polish agriculture, and this is currently being studied by the Ten.

* * *

Question No 96, by Mr Ephremidis (H-748/83)

Subject : Use of space for military purposes by the USA

The USA, in violation of UN Resolution 37/83 on preventing the arms race in space, is going ahead with the production of anti-satellite weapons, while tests of anti-satellite missiles have already begun, thus transferring the escalating arms race into space.

Can the Foreign Ministers meeting in political cooperation say how they view these actions by the USA, particularly after the worldwide outcry at arms escalation to date with the development and deployment of nuclear weapons, and why they have not reacted to prevent the transformation of space into a test range for new forms of armaments, seeing that Europe itself would be the first victim of any nuclear clash ?

Answer

The problem of how to prevent an arms race in outer space has been discussed by the Ten in the context of political cooperation on a number of occasions, especially in the light of Resolutions 37/83 and 38/70 which call on the Disarmament Committee to step up its work in seeking to prevent an arms race in outer space and also to set up a special working party on this question during the current session.

In view of the complex nature of the matter, the Ten feel that a steady and methodical approach would be better. At the same time, it must be said that the space activities to which the honourable Member refers — and which are also being conducted by the Soviet Union — are not forbidden under existing international provisions.

* * *

Question No 97, by Mr Adamou (H-769/83)

Subject : Recent statements by Mr Mitterrand

In recent statements in The Hague, Mr Mitterrand, the President of the French Republic, the country which also holds the Presidency of the EEC, maintained that the EEC must develop joint space programmes of a clearly military character.

Can the Foreign Ministers meeting in political cooperation say whether these statements also reflect the official position of the Council and come within the scope of the Treaties, and whether they propose to place this subject on the agenda of their forthcoming meetings in political cooperation ?

Answer

The public statements made by the President of the French Republic during his state visit to the Netherlands expressed the position of France and not of the Ten.

* * *

Question No 98, by Mr Cardia (H-789/83)

Subject : Military initiatives by Morocco

Following the recent reports of further serious offensives launched on the territory of the Saharan Arab Democratic Republic by the Moroccan armed forces, the ultimate objective of which is to divide the Territory of the Western Sahara, and which heighten tension among the neighbouring countries, and in view of the successive resolutions passed by the OAU and the recent UN resolution calling for direct negotiations between Morocco and the Polisario Front as a prerequisite for a ceasefire and the holding of a free referendum to enable the Saharan people to exercise their right to self-determination, do the Ministers intend to condemn Morocco's military initiatives on the grounds that these

threaten to engulf the entire region in conflict, in addition to the sufferings inflicted on the local population, and what action do they intend to take through the appropriate channels to promote the resumption of the negotiating process along the lines laid down by the above-mentioned international organizations with a view to guaranteeing the right of the Saharan people to a homeland and helping to restore peace and full cooperation between the Maghreb states and peoples in the Mediterranean area ?

Answer

This matter has not been discussed by the Ten meeting in political cooperation.

* * *

Question No 99, by Mrs Van Hemeldonck (H-34/84) ¹

Subject : Fate of the Zairian opposition

The thirteen former Members of the Zairian Parliament exiled by the Mobutu regime to remote villages in November 1983 are currently cut off from the outside world. The other members and supporters of the banned opposition party 'Union pour la Democratie et le Progres social' (UDPS) have been the victims of persecution. The entire opposition has recently been subjected to increased repression.

Representatives of the Belgian League for Human Rights and the National Centre for Development Cooperation have condemned the political reluctance of the Belgian Government to do anything to protect human rights in Zaire.

What representations will the Ministers make to the Zairian authorities to ascertain the fate of the exiled politicians and to demand that the Zairian Government respect human rights ?

Answer

The Ten were duly informed of the facts mentioned by the honourable Member, namely that several members and supporters of the UDPS opposition party are currently under arrest or have been exiled to their home regions. The Ten, while not planning any initiative at this stage, may well question the authorities of Zaire on this matter in the course of bilateral meetings.

* * *

Question No 100, by Mr Moreland (H-24/84)

Subject : Treatment of Syrian Jewry

In its 1983 Report Amnesty International expressed its concern about the violation of human rights in Syria, yet on 28 December 1983, Mrs Lilian Abadi, a young Jewish mother and her two small children were brutally murdered. Will the Foreign Ministers make representations to the Syrian Government to bring perpetrators of this crime to justice, and to remove the dangers and restrictions to which Syrian Jews are subjected, particularly the prevention of their emigration (the right to which is governed by Article 13 of the Universal Declaration of Human Rights of which Syria is a signatory).

¹ Former oral question without debate (0-165/83) converted into a question for Question Time.

Answer

The Ten take an interest in violations of human rights wherever they occur in the world. They often take discreet steps mainly for humanitarian reasons, on behalf of individuals or groups caught up in situations of tension or conflict, when intervention is considered advisable. The particular case referred to by the honourable Member has not yet been considered by the Ten meeting in political cooperation.

* * *

Question No 101, by Mr Tyrrell (H-37/84)

Subject: Freedom of religious practice and belief in the Soviet Union

Are the Foreign Ministers prepared to pursue vigorously with the Soviet authorities the numerous abuses of its own constitution and undertakings in CSCE in their persecution of religious believers, recent examples being: Fathers Tamkevicius and S. Varinskas in Lithuania, and in Moscow, Mr Vladimir Albrekht (former secretary of Amnesty International), Mrs Sofya Belyak, Mr Arkady Ivanov, Mr Stephan Kostyuk, and Father Alexander Pivovarov?

Answer

As the honourable Member knows, the Ten have approached the Soviet authorities on numerous occasions to register their feelings at the repeated violation of human rights and fundamental freedoms in the USSR and the failure to respect the undertakings endorsed in the Helsinki Final Act and the document closing the Madrid Conference.

The Ten intend to continue their action in this respect and, to this end, will certainly follow up the cases referred to by the honourable Member.

* * *

Question No 102, by Lord Bethell (H-40/84)

Subject: Former Soviet soldiers in the hands of the Afghan resistance

What discussions have the Foreign Ministers or their representatives had about the problem of former Soviet soldiers in the hands of the Afghan resistance; are the Ten Member States ready in principle, in view of the danger that those men may soon die or be killed, to offer them asylum?

Answer

With regard to Soviet soldiers who are prisoners of the Afghan resistance, the Ten have agreed to remain in contact on the matter and keep each other informed of any request for asylum made to them. The Member States of the Community reserve the right to assess each case on its merits and adopt a solution in accordance with their regulations governing such matters.

SITTING OF THURSDAY, 12 APRIL 1984

Contents

1. <i>Approval of the minutes</i> <i>Mr Glinne; Mr Papaefstratiou; Mr von der Vring; Mr Hord; Mrs Castle</i>	201	<i>Mr Sherlock; Mrs Schleicher; Mrs Scrivener; Mr Andriessen (Commission); Mr Patterson</i>	213
2. <i>Welcome</i>	202		
3. <i>Topical and urgent debate</i> <i>Conference in Nairobi in 1985 — Motion for a resolution (Doc. 1-135/84) by Mrs Gaiotti De Biase and others</i> <i>Mrs Gaiotti De Biase; Mrs Martin; Mr Richard (Commission)</i>	203	4. <i>Council of Agriculture Ministers (Statement and proposals by the Commission)</i> <i>Mr Dalsager (Commission); Mr Curry; Mr Woltjer; Mr Dalsass; Mr Provan; Mr Vitale; Mrs Martin; Mr Remilly; Mr Blaney; Mr Pasmazoglou; Mr Dalsager; Mr Kyrkos</i>	215
<i>Population growth in Europe — Motion for a resolution (Doc. 1-161/84) by Mr Croux and Mr Barbi</i> <i>Mr Croux; Mrs Squarcialupi; Mr Richard (Commission)</i>	204	5. <i>Agricultural structures — Reports by Mr Bocklet (Doc. 1-50/84), Mr Vitale (Doc. 1-70/84) and Mr Provan (Doc. 1-113/84):</i> <i>Mr Bocklet; Mr Provan; Mr Vitale; Mr Hutton; Mr Thareau; Mr Früh; Mr Johnson; Mrs Kellett-Bowman; Mr Johnson; Mr Goerens; Mr Rivierez; Mr Gautier; Mr Dalsass; Mr Adamou; Mr Vgenopoulos; Mr Kaloyannis; Mrs Castle; Mr Dalsager (Commission); Mr Provan; Mr Dalsager</i>	223
<i>French steel industry — Motion for a resolution (Doc. 1-154/84) by Mr Gauthier</i> <i>Mr Gauthier; Mr Marchesin; Mr Seitlinger; Mr Fernandez; Mr Donnez; Mr Andriessen (Commission); Mr Gauthier</i>	205	6. <i>Spirituous beverages — Report (Doc. 1-64/84) by Mr Dalsass</i> <i>Mr Dalsass; Mr Provan; Mr Sablé; Mr Dalsager (Commission)</i>	235
<i>Newsprint — Motion for a resolution (Doc. 1-136/84) by Mr Herman and others</i> <i>Mr Herman; Mr Spencer; Sir James Scott-Hopkins; Mr Giolitti (Commission); Mr Herman</i>	209	7. <i>Sheepmeat — Report (Doc. 1-58/84) by Mr Eyraud</i> <i>Mr Provan; Mr Eyraud; Mr Dalsager (Commission); Mr Eyraud</i>	238
<i>Lebanon — Motion for a resolution (Doc. 1-150/84) by Mr Donnez and others</i> <i>Mr Donnez; Mr Glinne; Mr d'Ormesson; Mr Veronesi; Mr Giolitti (Commission); Mr Donnez</i>	210	8. <i>Swine fever — Report (Doc. 1-54/84) by Mr Eyraud</i> <i>Mr Eyraud; Mr Brøndlund Nielsen; Mr Dalsager (Commission)</i>	238
<i>Exit visas — Motion for a resolution (Doc. 1-152/84) by Mr Kellett-Bowman</i> <i>Mr Kellett-Bowman</i>	212	9. <i>Wine market — Report (Doc. 1-52/84) by Mr Martin</i> <i>Mr Martin; Mr Ligios; Mr Maffre-Baugé; Mrs Scamaroni; Mr Dalsager (Commission)</i>	239
<i>Political prisoners in Turkey — Motion for a resolution (Doc. 1-160/84/rev.) by Mr Glinne and others</i> <i>Mr Glinne; Mr Habsburg; Mr Ephremidis; Mr Giolitti (Commission)</i>	212		
<i>Chlorofluorocarbons — Motion for a resolution (Doc. 1-153/84) by Mr Sherlock</i>			

10. <i>Veterinary medicines — Report (Doc. 1-1409/83) by Mr Hord</i> <i>Mr Simmonds; Mr Gautier; Mr Dalsager (Commission); Mr Simmonds; Mr Gautier; Mr Simmonds</i>	242	<i>Mr Pelikan; Mr van Aerssen; Mr Denis; Mrs Desouches; Mr Battersby; Mr Kyrkos; Mr Israël; Mr Leonardi; Mr van Aerssen; Mr Giolitti (Commission)</i>	254
11. <i>Harmonization of consumer tax structures — Second report (Doc. 1-48/84) by Mr Ligios and second report (Doc. 1-49/84) by Mr Hopper</i> <i>Mr Ligios; Mr Hopper; Mr Wedekind; Mr Beazley; Mr Rogalla; Mrs Castle; Mr Tugendhat (Commission); Mr Hopper; Mr Tugendhat</i>	244	17. <i>Regional problems — Reports by Mrs Boot (Doc. 1-1404/83), Mr De Pasquale (Docs 1-84/84 and 1-86/84) and Mr Griffiths (Doc. 1-91/84):</i> <i>Mrs Boot; Mr van Aerssen; Mr Hutton; Mrs Boot; Mr De Pasquale; Mr Griffiths; Mrs Pantazi; Mr Kazazis; Mr Hutton; Mr Adamou; Mr Faure; Mr Pasmazoglou; Mr Nikolaou; Mrs Boot; Mrs Kellett-Bowman; Mr Kyrkos; Mr Pöttering; Mr Papaefstratiou; Mr Griffiths; Mr Giolitti (Commission); Mr Rogers</i>	259
12. <i>Votes</i>	248		
13. <i>Central America (Doc. 1-56/84) (contd):</i> <i>Mr Irmer; Mr Giolitti (Commission)</i>	248		
14. <i>EEC-Cartagena Agreement — Report by Mr van Aerssen (Doc. 1-1495/83):</i> <i>Mr van Aerssen; Mr Tuckman; Mr Giolitti (Commission)</i>	250	<i>Annex</i>	
15. <i>EEC-EFTA relations — Report by Mrs Pruvot (Doc. 1-1496/83):</i> <i>Mrs Pruvot; Mr Gerokostopoulos; Mr Bøgh; Mr Giolitti (Commission)</i>	252	<i>Mr Baillot; Mr Sieglerschmidt; Mr Baillot; Mr Ephremidis; Mr Kyrkos; Mr Denis; Mr Gontikas; Mr Kyrkos; Mr Ziagas; Mr Lagakos; Mr Wurtz; Mr Forth; Mr Gontikas; Mrs Poirier; Mr Fernandez; Mr Gontikas; Mr Bøgh; Mr Vergès; Mr Pearce; Mr Marshall; Mr Denis; Mr Pearce; Mr d'Ormesson; Mr Pelikan; Mr Israël; Mr Fergusson; Mr Harris; Mrs Gaiotti De Biase</i>	272
16. <i>EEC-China relations — Report by Mr Pelikan (Doc. 1-1345/83):</i>			

IN THE CHAIR : MR KLEPSCH

Vice-President

(The sitting was opened at 10 a.m.)

1. *Approval of the minutes*

President. — The minutes of proceedings of yesterday's sitting have been distributed. Are there any comments?

Mr Glinne (S). — (FR) Mr President, just a word which concerns both the minutes and the order of business as regards the urgent motions.

Together with some fellow Members of my group I tabled a motion for a resolution (Doc. 1-156/84) under Rule 48 on the compliance with and the consolidation of international labour standards.

Yesterday Mr Croux, Mr Barbi and others asked for a change in the order of the urgent motions and, in accordance with the wishes of the House, their motion for a resolution was entered as the second item, which is quite in order. Where I feel there is an error is that the motion by Mr Glinne and Mr Albers has been deleted. It has apparently been removed whereas it ought to be down as the second or third item.

The request for a change in the order was not a request to remove the item.

President. — Mr Glinne, it says on page 8 of the minutes :

A motion by Mr Bangemann, on behalf of the Liberal and Democratic Group, to withdraw the motion for a resolution by Mr Glinne and others, on behalf of the Socialist Group, on the compliance with and the consolidation of international labour standards (Doc. 1-156/84).

The motion was adopted.

That was the decision of the House.

Mr Glinne (S). — *(FR)* That is really not the way we understood it.

Mr Papaefstratiou (PPE). — *(GR)* Mr President, may I point out the following: On 7 March I submitted a question, under Rule 25 (2) of the Rules of Procedure, to the President and the Bureau of Parliament asking about the steps to be taken in view of the arbitrary and undemocratic action of Mr Papan-dreou's government in forbidding the Greek television networks to show the European Parliament's information programmes on the forthcoming European elections in June. Since the Rules of Procedure lay down that a reply must be given within thirty days, I would ask you to inform me about the outcome in good time.

President. — I shall come straight back to your point, Mr Papaefstratiou, but first I want to clarify the matter. I have here the written motion by the Liberal and Democratic Group which was voted on yesterday. There is no doubt that it matches what is in the minutes.

Mr von der Vring (S). — *(DE)* You are quite right, Mr President. Mr Bangemann's motion on this topic is just aimed at the workers, and it is not by accident.

President. — That is not a point of order, Mr von der Vring, which is what I expect to hear from you. I am surprised at your reaction this time. As for Mr Glinne, I am sorry to have to tell him that the decision of the House can no longer be changed. And in reply to Mr Papaefstratiou, let me say that the matter he raised will be looked into.

Mr Hord (ED). — Mr President, with regard to today's agenda, I wrote formally to the Presidency yesterday, following the discussion and voting on urgent procedure for certain agricultural proposals received from the Council and the Commission, and in regard to the final item for the joint debate at 12 noon, concerning milk and milk products for marketing, I submitted to the President that it was not in order for the House to take this particular item because it was intended today to do so without report and that the committee had not sanctioned the procedure without report under Rule 99(1). Are you, Mr President, in a position to give a ruling on the formal representation that I made yesterday, and would you accept that in the light of the fact that Rule 99(1) has not been satisfied it is not appropriate for the House to take the item dealing with milk and milk products for marketing today?

President. — I appreciate your remarks, Mr Hord, but I was here in the Chamber yesterday and the President asked the House to vote on the inclusion of this item. It was approved by a large majority, and I cannot now change that decision of the House.

Mr Hord (ED). — Mr President, we did take a vote, as you say, but in the circumstances it could have only been a vote on urgent procedure. I do not deny that urgent procedure has been granted by this House on the proposal, but what I am submitting is that this House was not enabled to approve a procedure without report because that procedure had not been recommended by the committee.

I would also submit to you that the appropriate committee for this item is not the Committee on Agriculture but the Committee on the Environment, Public Health and Consumer Protection, because it deals with the subject of labelling. I insist that this is something that should be taken off the agenda, having in regard to the fact that Rule 99(1) has not been sustained.

President. — We cannot have a long procedural wrangle now about a decision that was made by the House yesterday. If this item is called later, you will have an opportunity to avail yourself of the Rules of Procedure.

Mrs Castle (S). — Mr President, I want to support very strongly Mr Hord's application that we must have a report on this. You cannot have the occupant of the Chair allowing the House to take a decision which is contrary to the Rules. It is the Presidency that is at fault, not the House. It should have been pointed out to the House at that time that the Committee on Agriculture had not agreed to its going without report and also that that committee was not the appropriate committee. I can confirm that Mr Collins, the chairman of the Committee on the Environment, Public Health and Consumer Protection, does feel that this is a regulation in his field of responsibility and is concerned that there should be a report on it from his committee. Please, Mr President, do not reconfirm today the wrong guidance which the Chair gave to the House yesterday.

President. — Mrs Castle, I cannot overturn yesterday's decision but you will have the opportunity, when the item is called at 12 o'clock, to avail yourself of the Rules of Procedure.

*(Parliament approved the minutes)*¹

2. Welcome

President. — It gives me great pleasure to welcome to the official gallery Dr Scholten, Vice-President of the Council of State of the Netherlands, and a number of former Members of the European Parliament.

(Applause)

¹ Documents received: see Minutes.

3. Topical and urgent debate

Conference in Nairobi in 1985

President. — The next item is the motion for a resolution (Doc. 1-135/84) by Mrs Gaiotti De Biase and others on the participation of the Community in the UN Conference to be held in Nairobi in 1985 to mark the end of the Decade for Women.

Mrs Gaiotti de Biase (PPE). — *(IT)* Mr President, ladies and gentlemen, the concept in this motion for a resolution which we are submitting to the Parliament is not new. It has already been seen at the 1980 Conference in Copenhagen when this Parliament said that it was in favour of the Community's participation and had agreed that a Member of Parliament should be present in this delegation.

Nevertheless, this Parliament needs to reconsider the subject in view of the Conference in Nairobi and in the light of resolutions which have been adopted on the rights of women and the decisions of the Council of Ministers in February 1983.

The preparation of the Conference in Nairobi is already at an advanced stage and it is necessary for the Community to show its own independent position.

The Conference in Nairobi is a place for debates and thought amongst women from the whole world, on topics of development, equality and peace; and it is also a chance for the Community to justify its participation in this matter. The Community must, therefore, be involved in this way, at Commission level, through the directorates which are mainly involved: those of Social Affairs and Development Cooperation and the Community must undertake the coordination of the participation of Member States. We are also asking for a document to be presented on the subjects on the agenda of the Conference.

The Parliament must be involved in all this, in order to accentuate not only the technical character but also the political character of the Community's participation. Lastly, political coordination is needed with regard to the formation of the delegations and in the definition of the mutual position with which the problem can be tackled.

I hope that the ten countries will come forward united, with regard to this subject, and take up fully the challenge which is found in the problems on the agenda, which thoroughly link the topic of development to women's conditions, and therefore to the development of a human goal, personal bettering, describing it in a positive and socially efficient sense.

This subject also appears in the North-South Dialogue, in the attempt to introduce calmly the subject of human rights in the context of cooperation.

Therefore, we ask this Parliament, to approve this resolution today, and to monitor its application tomorrow.

Mrs Martin (L). — *(FR)* Mr President, ladies and gentlemen, one of the important changes which have taken place in our society in recent years is the evolution of the role and place of women in society. Since its direct election, the European Parliament has contributed a great deal to this evolution. But we must admit that both in France and in the countries surrounding it we have not yet — and sometimes by a long way — succeeded in getting rid of all the obstacles which prevent women as well as men from exercising freely, responsibly and independently their right to individual fulfilment. In this area there are considerable disparities within the Community, and even more so between all the UN member countries, while at the same time we must recognize that the development of certain disadvantaged regions in a fair number of developing countries depends on the evolution of the role and place of women, since very often they either participate in development or slow it down.

It stands out very clearly that the launching in 1975 of the 'Women's Decade', by emphasizing this need, made progress possible in a certain number of areas. It is just as certain that the preparations for the conference to mark the end of this Decade, due to be held in Nairobi in July 1985, and the conference itself have already mobilized and will continue to mobilize many women and will provide another opportunity to emphasize how necessary and urgent it is to solve their problems.

With this in mind, the Community, which already has a very good record on this as well as on development, should as such make a considerable contribution to the preparations for the conference and to the conference itself. In particular, an assessment should be made of the progress achieved during Women's Decade with regard to the problems falling within the Community's field of competence.

The Commission can and must play an important role, particularly on the committees dealing with equality of opportunity, in the preparations for this conference in order to facilitate the participation of women's associations and to define a common position.

Similarly, the Council should, under the heading of political cooperation, take part in this action, define the common political strategies and see to it that similar delegations are represented at this conference.

This is why I hope that a very large majority in the House will vote in favour of the motion for a resolution by Mrs Gaiotti de Biase.

Mr Richard, Member of the Commission. — Mr President, I think I can be reasonably brief in replying to this perhaps inevitably brief debate that we have had. I think the issue raised is one of considerable importance. May I say first of all, on behalf of the Commission, that the Commission welcomes Parliament's interest in these affairs, as indeed we have done in our

Richard

negotiations, discussions and coordination with the Committee of Inquiry into the Situation of Women in Europe over the last three and a half years. Secondly, I think it is absolutely right for Parliament to emphasize that at the conference in Nairobi it is very important that the Community should speak with one voice. I do think that that therefore means that the extent of political coordination that takes place at that conference should be considerable.

As to the precise mechanisms for ensuring that the views of Parliament are fully taken into account by the Commission in the preparation for the conference, and indeed in the coordination meetings at the conference itself, I think that the most I can do for Parliament in that respect today is to say that we note — indeed we note perhaps with some degree of sympathy — the views that Parliament has expressed. I am not in a position today to discuss the precise mechanisms for associating Parliament with the work of the Commission and the work of the conference. I have taken careful note of the views that have been expressed here and can only say to Parliament that we take the thrust of those views. We see that there is an argument that Parliament's views should be taken fully into account in arriving at, and indeed in expressing, the views of the Community at the Nairobi conference. Naturally the Commission will thereafter wish to consider how this might best be done.

President. — The debate is closed.

*Vote*¹

Population growth in Europe

President. — The next item is the motion for a resolution (Doc. 1-161/84), tabled by Mr Croux and Mr Barbi on behalf of the Group of the European People's Party (CD Group), on the need for Community measures to promote population growth in Europe.

Mr Croux (PPE). — (NL) Mr President, colleagues, we have tabled this motion for a resolution in support of Mr Beregovoy, the French chairman of the meeting of the Ministers for Social Affairs in Paris on 5 April, which discussed a number of proposals on the disturbing decline in the population in the European Community.

He said that the demographic problem was bound to be discussed in the context of the policy on 'espace sociale' gb016211041 since it was giving such cause for concern in all the Member States. He gave figures showing that by the year 2000, Europe's population will account for only 4.5 % of the world population, as opposed to 8.8 % in 1950. I need say no more.

¹ See Annex.

What has urged me to request that this question be discussed urgently, Mr President, is my amazement that some Ministers and even the Commission have said that these problems should not be discussed at Community level. This is a very sorry state of affairs. The aim of this motion for a resolution, therefore, is to request the Council of Ministers for Social Affairs to reconsider the suggestions of the French chairman. The Commission should play a constructive role, because, and I quote the French chairman: 'A decline in population always goes hand in hand with economic and cultural decline'.

We therefore consider it of the utmost importance that the proposal made in the Council of Ministers for Social Affairs is not thrown out and that it should be treated at Community level.

Mrs Squarcialupi (COM). — (IT) Mr President, the decline in the birth rate is indeed a problem, but it is also a very delicate problem because it concerns individual 'privacy' and, at the same time, is strictly connected to all the phenomena which concern our society.

We do not believe it is possible to have a summit decision on this topic, but we believe it is absolutely necessary to solve many interconnected problems, problems which we discuss in this Parliament also: the problem of employment, of housing, of social services.

We also know that all our member countries 'cut the corners' especially of social services budgets, in particular the budgets for early infancy. We need to have a greater respect for motherhood and for children, and we need to make firm judgements with regard to the consumers — we see that for years a directive on advertising, which has a negative influence on childhood, has not been adopted for example; but above all, we must overcome the uncertainties which are found in our continent, which everyone is aware of: the uncertainty caused by repeated conflicts.

We believe, therefore, that it is impossible to take a responsible stance on this subject if it is not considered in the context of the more complex problems of our entire society.

Mr Richard, Member of the Commission. — Mr President, may I say right at the outset to the rapporteur that I do not understand how he could conceivably have got the view that the Commission was saying that it had no interest in this matter. Well, I do not know how the piece of paper, which the rapporteur is waving at me, got the impression that the Commission had no interest in the matter. I have in front of me the speech that I made at the Social Security Ministers Council last week. I said:

To put it bluntly, in certain Member States the birth rate is not, and has never been, a matter of public policy. But the effects and the

Richard

consequences of demographic change are another matter. Indeed the importance of the whole range of subjects the French paper raises is incontestable. It is therefore important that the Community as such gets its response right.

I have to say to the House that, as far as the Commission is concerned, I take today precisely the same view — you will not be surprised to hear — that I took at the meeting in Paris last week, namely, that demography, the birth rate, the encouragement of population or otherwise within Member States, is essentially a matter for the national policy of individual Member States. The effects of it — whether those effects are seen in terms of retirement, in terms of burden on the social security system, in terms of the effect upon the labour market or the manpower policies — are, of course, a matter in which the Commission is interested and ought to be interested.

The result of that meeting of Ministers for Social Security last week was that the Commission was asked to go away and produce some more information for the Council of Ministers, particularly analysing the effects and the consequences of the sort of demographic changes that now seem to be taking place. As far as we are concerned, we are perfectly prepared and indeed anxious and willing to do so. At the appropriate stage and in the normal course of events it would be my intention, naturally — and I am sure it would be the intention of the Council of Ministers — that Parliament should be informed and consulted in precisely the usual and normal way.

So I think that, with great respect to the rapporteur, he was a little hard on the Commission in his opening remarks, and I hope I have been able to reassure him and reassure the House.

President. — The debate is closed.

*Vote*¹*French steel industry*

President. — The next item is the motion for a resolution (Doc. 1-154/84), tabled by Mr Gauthier on behalf of the Group of European Progressive Democrats, on the consequences for Lorraine of the decisions to restructure the French iron and steel industry.

Mr Gauthier (DEP). — (*FR*) Mr President, ladies and gentlemen, I should like to tell you first of all that in the motion for a resolution which I have tabled I wish to delete recital A.

The crisis in the European steel industry which has beset the Community for a number of years has on more than one occasion — when the Wagner report

was debated in June 1983, or during yesterday's debate on relations with the United States in the steel sector — given this House an opportunity to examine the situation in the steel industry.

This crisis, which is mainly due to a considerable drop in consumption, has forced the Community to adopt an action plan involving the imposition of production quotas on the various Member States and on a large number of products. European steel production, which reached its peak in 1974 with 156 million tonnes, has fallen year by year to the present figure of some 100 million tonnes. At the same time the number of jobs — 800 000 in 1973 has fallen by half, and it seems that further redundancies are necessary even today.

The Community's steel problem was soon compounded by competition from non-member countries supplying steel for the first time. This meant that world steel production continued to grow, thus further contributing to production overcapacity and further undermining the competitiveness of European steel. But this outside competition is not the only thing behind the steel crisis. The economic difficulties following the oil crises, the inability of the countries and firms concerned to move quickly to restructure the sector, the price war, the technology gap in certain fields, the refusal to admit that there actually is a crisis or, worse still, the illusion of a possible steel industry revival which was put about for electioneering purposes — all these are factors which pushed the steel companies headlong into a more and more difficult situation, with the result that today there is no longer any question of maintaining the surplus production capacities and that the retreat is taking place in complete disarray.

The present problem, the full seriousness of which is underlined by what is now happening in the economic disaster area of Lorraine, must, in my view, be looked at coolly. In any event we must avoid an overdramatization and above all not take the easy way out by making a simplistic analysis. We do not question the need for restructuring, but this does not mean abandoning the steel industry. On the contrary, it has to be restructured to be saved. This involves making tough sacrifices, such as laying off large numbers of workers now in order to ensure that in future the jobs in the steel industry will be safe, because the industry will have been adapted to the new economic and commercial conditions and will be viable once again and able to develop without the artificial support of government aid.

The restructuring policy is, in fact, a policy of public welfare. However, there is a subtle yet fundamental difference between one kind of restructuring and another. The kind which we support is controlled and successful restructuring. The kind which we condemn is restructuring dictated suddenly by the constraints of

¹ See Annex.

Gauthier

the moment and which results in certain production sectors being abandoned. To abandon steel would be to deal a mortal blow to entire regions and deprive Europe of all independence in the manufacture of new, more developed products.

On the other hand, no Member State, on pain of ruining its economy and the user sectors, can afford in the long term to pursue in isolation a costly, subsidized steel policy.

Saving steel means readapting a production sector but the necessary accompanying measures, both social and regional, are absolutely indispensable. This means that the restructuring — by which certain regions like Lorraine are being badly hit — is the concern of the whole Community, since it is only European solidarity which makes it possible to lessen these sacrifices in that each Member State continues to improve the overall situation of the steel industry. It is not, I repeat, the restructuring as such which is being called into question, but the absence of Community accompanying measures to support it.

Unless there is emergency Community action, the restructuring of the Lorraine steel industry, which is practically the only industry in the region, will soon turn into an economic disaster without precedent, which will immediately rip apart the economic fabric of this region, which is on the edge of the vast industrial area of the frontier regions.

This is why we are appealing to Parliament to call on the Commission to take immediate and wide-ranging measures to monitor the restructuring in Lorraine and to grant emergency financial aid under the Regional and Social Funds.

These measures are all the more necessary since they would help, through better coordination of the Community's structural Funds partly to resolve the objective contradiction between the restructuring policy and the intervention measures taken under the social and regional policies.

The restructuring requires that a correct balance be struck between the job reductions which are its inevitable consequence and support for economic and social reconversion and for regional balance. The Community has often taken this kind of action. Between 1975 and 1982 the Community granted loans and favourable terms of some 4 000 million ECU for modernizing the steel industry. There are also aids for research and technological innovation. The social and regional measures to accompany the restructuring are provided for: 150 000 jobs are likely to be lost between 1983 and 1986, and during this period the various Community Funds should grant non-repayable subsidies.

I shall finish, Mr President, since in the face of the 20 000 steelworkers' and miners' jobs lost, which will also lead inevitably to shutdowns of small and medium-sized undertakings in subsidiary and associated

industries, what is left of the promises made if we do not also take account of these thousands of young people who will arrive on the employment market, these young people who will be the strength of the Europe of the future and who we must do everything to help?

Mr Marchesin (S). — *(FR)* Mr President, ladies and gentlemen, the situation in my region, Lorraine, is indeed worrying. The population and all the political forces in the region consider that the effects of the government's steel plan are too harsh for a region which has already been suffering for some time.

This situation obviously calls for a motion for a resolution to support this region affected by the steel plan, in keeping with the Community recommendations. But Mr Gauthier's document is not a resolution imbued with a Community spirit, but a pre-election statement condemning the French Government's policies which are, however, in line with the wishes of all the European countries which have large steel-producing capacities. Mr Gauthier states in recital B that French steel production is to be reduced by 5 million tonnes, but I would emphasize to him that the total reduction which France is being asked to make is 630 000 tonnes for the current plan, and the 5 million tonnes he refers to represent the reduction since 1978, the major part of which was agreed to when his political friends were in power in our country. But I am sure this was simply an omission, without any ulterior motive, which was inadvertently made when this recital was being drafted.

A resolution of this kind should have been a matter for internal French politics and should not have been raised in this House as a Community matter. It should therefore be pointed out — particularly to the rapporteur, who is also from Lorraine — that if the people of Lorraine are now reacting violently, it is definitely the result of the running down of jobs, which has been going on for a long time now, in that region; that the origins of the steel crisis in our region go back to 1963 and 1964, when the mines at Aubry and the factories at Audun-le-Tiche were shut down; that there are only about ten iron-ore mines left out of the original 52; that tens of thousands of jobs have been lost in the Lorraine steel industry, and that other jobs dependent on the region's main industry melted away like snow in the sun. From 1963 to 1981, ladies and gentlemen, that makes 18 years! A period when your political friends were in power in our country, Mr Gauthier. But what did they do? With their absolute power over the regional authorities in Lorraine, what did they do from one restructuring plan to another, from one lot of government aid to another, and from one set of promises to another? They turned Lorraine into a desert and sold out its basic industry.

What can be said about the choices made during that period? Huge subsidies were given to boost the steel

Marchesin

industry in coastal regions, which uses foreign ore, at the expense of the steel industry inland, centred in the Lorraine basin, previously denegated and, if we are to believe the resolution by Mr Gauthier and his friends, now full of virtues.

No, there is no doubt that the problem of the steel regions is a very difficult one for all our European countries. Our Belgian, Luxembourg, German and British friends are well aware of this and are faced, like us, with the social, regional and human consequences of restructuring, however necessary it may be. Since May 1981 France has handed over the reins to new political forces — a normal change in a democratic system. Mr Gauthier and his friends are not prepared to accept this. The French Government, which has inherited the situation in the steel industry, and particularly in the Lorraine steel industry must give this industry and the affected regions the impulse needed for an economic and industrial revival based on competitiveness in steel and on diversification in these regions, which have for too long been left to suffer the consequences of having only one industry.

This is the task which the French Government and the progressive forces in Lorraine wish to tackle. My region will of course be faced with many social problems, and I wish to retain only the constructive aspects in Mr Gauthier's resolution. For this reason I propose a number of amendments which avoid being controversial and seek merely to make this resolution industrially and economically sound and to encourage social, regional and human solidarity. I am sure, ladies and gentlemen, that you will adopt these amendments, which will give this resolution the objectives which it should have had from the outset.

(Applause from the left)

Mr Seitlinger (PPE). — *(FR)* Mr President, ladies and gentlemen, it is true that Lorraine is a disaster area, it is true that the people of Lorraine are suffering and that the steel plan adopted by the government is unacceptable. But Lorraine is united in rejecting this plan. And I should like to say to Mr Marchesin that I regret the discordant notes in his speech, which really miss the point. In 48 hours from now Lorraine, united and mobilized, will demonstrate in Paris its determination to reject the steel plan. Being a former fellow-candidate of Robert Schuman, I obviously do not challenge the ECSC Treaty. It is for this reason that, in order to avoid any misinterpretation, our colleague Mr Gauthier has withdrawn the first recital. It is certain that the real reasons are, on the one hand, the fact that both at Fos-sur-Mer and in Lorraine we have a strong suspicion that certain political decisions have favoured the *Nord* region of France at the expense of Lorraine and Fos-sur-Mer. Part of the blame must also be given to the nationalization of the steel concerns, which spent their time in quarrels between the chairmen of Sacilor and Usinor and which, because of

these quarrels, proved unable to fulfil the quotas to which France was entitled, since instead of 18 % of the market we were only able to produce 16 % in 1983. These are facts which also need to be pointed out.

Of course we are not against measures to modernize the industry, since we want to save the steel industry in Lorraine. We want it to be more efficient and we want it to be more competitive. And this is why we ask the government to recognize that there is a problem to be tackled in Lorraine. And we also want the Commission to come to the aid of Lorraine in the weeks and months ahead in a concentrated and tangible manner. What Lorraine expects from the French Government and the Commission is some straight talking. The steel industry wants to survive in Lorraine. There is absolutely nothing complicated about this tragic problem: all the people of Lorraine want is to be given work.

(Applause)

Mr Fernandez (COM). — *(FR)* Mr President, everyone knows our position on the steel industry. We stated clearly that the steel plan was dangerous for the French economy and would do anything but help Europe out of the crisis. However, since this urgent motion by Mr Gauthier is before us, the French Communists and Allies wish to state once again most firmly that it is inadmissible and a disgrace to use this European Parliament for internal political purposes which are completely outside its competence.

(Applause from the left)

This is an example of petty political manoeuvring on the part of this representative of the French right wing, whose claim to fame, I would remind you, is that between 1974 and 1981 it cut the number of jobs in the French steel industry by 40 %.

(Applause from the left)

We refuse to sanction this kind of manoeuvre, and so we shall abstain from voting on this motion.

I should like to make one comment, however, Mr President. If there is one thing you can say for the DEP Group, and for Mr Gauthier in particular, it is that they are perfectly prepared to renounce their past errors, unless it is their memories which are letting them down. I would therefore remind them that in May 1983 they voted for the Wagner report, which stressed that further reductions in the production of the steel industry were essential. So Mr Gauthier and his friends are hardly in a position to come and preach to us today.

For our part, we Communists are consistent with ourselves. We stood up for the steel industry and the steelworkers yesterday, we are standing up for them today and shall stand up for them tomorrow.

(Applause from the left)

Mr Donnez (L). — *(FR)* Mr President, ladies and gentlemen, for my part, I shall not try to settle this internal French dispute. But everyone must realize that it is an economic and human tragedy that has struck Lorraine, which is today gripped by hopelessness, disillusionment and near-rebellion.

Out of solidarity with my friends from Lorraine, I shall vote for Mr Gauthier's motion for a resolution. But to broaden the debate, I shall ask the Commission to turn its attention to all the regions — and I am thinking in particular of my region of Nord-Pas-de-Calais, which contrary to what has been said, has not been given favourable treatment — all these regions which are suffering economic disaster in the wake of the restructuring measures, whether for the steel industry or for the mining industry. Because these regions are not asking for charity. They are simply asking to be allowed to continue their industrial role. And I am sure you will agree, ladies and gentlemen, that in doing so they are only asking for justice and, to put it bluntly, they want none of your party-political bickering. This remark is addressed in particular to the gentlemen on the other side of the House.

(Applause from the right)

Mr Andriessen, Member of the Commission. — *(NL)* Mr President, on behalf of the Commission, I would like to consider one or two of the recommendations made in the Gauthier resolution. I will pass over a number of remarks in the preamble, since I feel that they do not warrant comment on the part of the Commission.

Mr President, since June 1983, when it made its decision on the reorganization of the steel industry in the Community, the Commission been warning the French Government, that, in its view, the plans for the industry as they stood did not make sufficient concessions with a view to making the French steel industry ultimately viable and competitive. Although the plans we are discussing here have not yet been officially notified to the Commission and I can therefore give no detailed comment on them, it seems to the Commission that in the plans as they now stand, the French Government has drawn the correct conclusions.

In June last year, the Commission had to request the French Government to reduce capacity further than it was at that time intending, and the Commission is pleased that this request can now be complied with. Proportionally, France is contributing no more to restructuring than any other Member States.

Mr President, let me say a word about what is deservedly the central issue to this debate, the regional and social consequences of the necessary restructuring. The Commission agrees with all the speakers today that, however necessary restructuring is to the steel industry, it cannot be implemented without adequate accompanying social and regional measures. With this

in mind, the French Government, with the support of the Commission, has introduced a number of national measures relating to the regions affected. In the past, the Commission too has been very active in this field, through the Social Fund, the Regional Fund and the ECSC. On its behalf, I would like to say that the Commission will continue in the future to use all the resources at its disposal to help in the creation of new jobs and the social measures accompanying the restructuring operation.

Mr President, this is not the place to go into all these measures in detail. Let me just say that the Commission is doing its utmost *vis-à-vis* the Council to get the necessary Community funds. And let me add that the Commission is prepared to use these funds, as far as possible, for Lorraine.

Mr President, a third comment I should like to make is on the question of imports, to which there are a number of references in the motion for a resolution. May I point out that since 1978, there have been import regulations on steel imports from third countries, that agreements have been made with virtually all importing countries covering quota restrictions and prices, applying in most cases not only to overall quantities but also to sub-quotas, and that there have even been arrangements exempting traditional trade flows. Under these arrangements, the 1984 import quotas are precisely the same as the 1983 levels. If no agreements are concluded, which is rare, a system of minimum prices is introduced, which enables the Commission to have recourse either to anti-dumping or exemption measures, and it has occasionally taken advantage of both these possibilities in the past. No one can say, then, that the Commission has not been active on the imports issue. The result is that imports have fallen, and the Commission feels bound to reject out of hand any suggestion that it has not done enough in this respect.

Finally, Mr President, the Commission is very willing, in consultation with the French authorities, to do everything possible to make the regional and social implications of this unavoidable restructuring as painless as possible for the areas affected.

President. — The debate is closed.

I call Mr Gauthier to make a personal statement pursuant to Rule 67 of the Rules of Procedure. I should like to point out to him that he must confine his observations to rebutting any remarks that have been made about his person.

Mr Gauthier (DEP). — *(FR)* I am very sorry about the polemic tone that was adopted by Mr Marchesin. Like Mr Seitlinger I feel that in an awful situation such as the one we have in Lorraine at the moment you have to bear in mind both solidarity and also the fact that the idea is not to start fighting but to come together in reason and common sense.

Gauthier

I should just like to say to Mr Marchesin that, in the first place, I made it quite clear in my speech that I was not having a go at the plan to restructure the steel industry. Secondly, when he visited Lorraine as presidential candidate, Mr Mitterand, who is now President of the French Republic said that a speedy revival of the steel industry was feasible. Mr Marchesin chose to ignore these two facts. Like Freud he is somewhat selective, i.e. he conveniently forgets things ...

President. — Mr Gauthier, you are making a statement on the substance of the matter.

Mr Gauthier (DEP). — Mr President, I just wanted to remind those people who are accusing the Right of eliminating 40 000 jobs in 23 years that they have been in power for the last three years and in that time they have already got rid of 20 000 jobs.

(Mixed reactions)

President. — That is not a personal statement, Mr Gauthier.

(Interruption)

There can be no explanations of vote at this point.

Vote¹

Newsprint

President. — The next item is the motion for a resolution (Doc. 1-136/84) by Mr Herman and others on the price of newsprint.

Mr Herman (PPE). — *(FR)* Mr President, ladies and gentlemen, you are aware how important a free press can be nowadays in the interplay of our democratic institutions. Well this freedom of the press may be put at risk today, not for political reasons but for economic ones.

In fact, the economic running of newspapers is not only subject to competition from television and other mass media, but is also made more difficult by a rise in the price of newsprint. As a result of decisions taken by the Commission and accepted by the Council, there is no longer any free competition between our suppliers in Canada and those in Scandinavia.

Under the terms of the agreement with EFTA, the Scandinavian countries can now export newsprint to the EEC without paying customs duties. Production within the EEC is unable to meet the total demand, and hitherto most of the shortfall has been made up by imports from Canada under the system of zero-duty tariff quotas. These quotas, originally 1 500 000 tonnes, have been reduced for 1984 to only a third of that amount, i.e. 500 000 tonnes. This means that Europe depends on the Scandinavian countries alone

to supply the extra quantity required. The Scandinavian countries thus have a virtual monopoly, and they have taken advantage of the situation by putting up their prices.

What we are asking the Commission and the Council to do is to review the import quotas for Canada so that European newspaper publishers can maintain the balance of competition between their suppliers in the Scandinavian countries and other suppliers. This is the aim of this motion for a resolution, and I hope, ladies and gentlemen, that you will give it your full support.

Mr Spencer (ED). — Mr President, plentiful and cheap supplies of newsprint are essential to the continuation of an independent press in our countries. If you look at the first act of almost any authoritarian regime in history, it is to strive to starve the opposition press of newsprint. It would be utterly unacceptable to impose a Community preference that forced our press to buy newsprint of an inferior quality at a higher price, which might have been the case if we were forced to rely entirely on Scandinavian supplies. But, in fact, since 1 January we have had free trade in these products with the EFTA countries. I cannot necessarily accept Mr Herman's assertion in recital K that these suppliers will, because of the reduction in the Canadian newsprint quota, be able to put up their prices. They might be able to, but I doubt in the long run if three major suppliers of this kind could actually act in the monopoly way that he implies. It is possible, but we cannot assume automatically that that is what is going to happen.

I regard this as a complex matter. It is a matter that is currently being considered before GATT panels. It is a matter that involves complexities on the Canadian side that I know Sir James Scott-Hopkins, will be addressing himself to, matters of surplus production in their own industry, of energy subsidization, and of other matters. We would not want to cramp the Commission's negotiating style at a difficult moment. We shall, in fact, vote for the Herman resolution as a group. Not because we support all the details of it — actually, Mr Herman, we do not — but we do want to say clearly to the Commission that newsprint has a significance which goes beyond its mere economic value. Newsprint is essential to the continuation of a free press, and we are hopeful and confident that the Commission will do nothing in these difficult negotiations that would impair the continuation of a free and economic press.

Sir James Scott-Hopkins (ED). — Mr President, I am glad that Mr Herman heard my colleague say that as a group we are going to support his motion for a resolution. Indeed, I am glad that we are going to do so. I speak mainly as the chairman of Parliament's delegation for relations with Canada. This has been the subject of great debate in that delegation when we

¹ See Annex.

Scott-Hopkins

met the Canadians only two weeks ago. As the House will know, newsprint is one of the main exports of Canada and one on which she relies to a great extent for her external earnings. It is of great significance to her economic future.

However, there is a further point concerning free competition. It is hard to see how free competition can operate if one area of the world can export without let or hindrance as much as it wishes to export, whereas other countries — the Canadians, for instance — are restricted by a small quota. That is not what I would call free competition. I would ask the Commission to re-examine its position on this.

I know that there are problems concerning cheap electricity, energy prices and all the rest of it. However, the point is that when the United Kingdom entered the Community back in 1973, the Canadians understood that they would be able to export their newsprint to Europe — basically to the United Kingdom — without let or hindrance. Indeed, they have done so up to 1983. There has always been a topping-up system whereby, if the demand was there, they could in fact export further to meet that demand. We got our newsprint either from Canada or Scandinavia, but most of it came from Canada. Now, because our Italian colleagues have blocked the topping-up procedure, there is a problem over 1983. There is a further problem arising, as Mr Herman explained in his speech when he opened the debate, concerning the quota for 1984 and onwards.

I sincerely hope that the Commissioner will re-examine the Community's position *vis-à-vis* Canada, as well as the position of the Scandinavians who have free entry into the Community. I do not think that the whole situation is a very satisfactory one. It will do great damage to our relationship with the Canadians.

(Applause)

Mr Giolitti, Member of the Commission. — *(IT)* Mr President, with the prospect of customs duties on newsprint imported from the EFTA countries, ceasing on 1 January 1984, the Commission frequently had conversations with Canada.

Taking into account the need to adjust the level of the set tariff quota — seeing that imports from EFTA countries have not been subject to this quota since 1 January 1984 — the conversations sought to resolve at what level the quota should be set so that it would be acceptable to the Community and Canada, in order to avoid controversy within GATT.

During these conversations the Commission wanted to reach an agreement with Canada, that is, to set the tariff quota at the highest level and still protect Community industry.

Unfortunately, in February 1984, it became clear that the attempts of the Community and Canada to find a

solution still differed too much for an agreement to be reached: Canada asked for and obtained the institution of a group of experts at GATT who will judge the contractual obligations of the Community with regard to newsprint.

The Commission interprets Protocol No 13 in the sense that it obliges the Community to fix a zero-duty tariff quota the moment when Community production has been exhausted. So far this obligation has been respected and the Commission hopes to continue to propose the increased use of an autonomous tariff quota once the conditions under Protocol 13 have been fulfilled.

Thanks to the implementation of an autonomous tariff quota all newsprint imports, with the exception of a small amount due to the exceptional circumstances at the end of 1983, have been subject to zeroduty.

Temporarily, the tariff quota of 1984 is set at 500 000 tonnes based on an estimate of the requirements of newspaper publishers; and we now consider that the situation should be examined this spring, and that the level of the tariff quota should be increased if this should prove necessary, provided that the Community's own production has been sold. The Commission would also like to point out that it is not currently informed of plans of EFTA countries to put up the price of newsprint.

Mr Herman (PPE). — *(FR)* I should like to express my satisfaction with the Commission reply but at the same time I want to add something which the Commission is probably not aware of, simply that prices have actually already gone up.

Another thing I want to say is that when the list of signatories for this motion for a resolution was closed, there were another four Members who wanted to put their names to it. I should like their names to go into the minutes. They are Mr Beyer de Ryke, Mrs Lizin, Mrs Dury and Mr Glinne.

President. — The debate is closed.

*Vote*¹

Lebanon

President. — The next item is the motion for a resolution (Doc. 1-150/84), tabled by Mr Donnez and others on behalf of the Liberal and Democratic Group, on the situation in Lebanon.

Mr Donnez (L). — *(FR)* Mr President, ladies and gentlemen, I do not think I need to go into long explanations about this motion for a resolution which I have the honour of presenting. It speaks for itself. The fact is that we are all aware of the daily suffering

¹ See Annex.

Donnez

of all the people of Lebanon. You will have noticed that my motion for a resolution is ultimately more humanitarian than political in tone, simply because I was trying to offer a message of hope, friendship and solidarity to these suffering people. I trust that this message will be echoed by the whole House.

(Applause)

Mr Glinne (S). — *(FR)* Mr President, the Socialist Group is very pleased to join in an initiative aimed at increasing our Member States' sense of responsibility by way of an attempt to find a peaceful settlement. We also fully agree that we should provide more substantial aid for the civilian victims of the conflict, particularly by sending medical teams and medical and pharmaceutical supplies.

However, the resolution which Mr Donnez and others have tabled contains one point which we consider to be out of date and unfortunate. I refer to recital B, which I shall read in the French version, which is not entirely in line with the other language versions :

Recalling its support for the efforts of the United States and three Member States of the Community to restore peace in that country by sending a multinational force.

I think that this is rather out of date in view of what has since taken place. My group therefore asks Mr Donnez and his colleagues to withdraw recital B. If they feel unable to do so, we shall request a separate vote on recital B, Mr President.

Mr d'Ormesson (PPE). — *(FR)* Capitulating without explanation, the West has withdrawn the multinational force. The ships have left, leaving the Lebanese under either a Syrian or, in the south, an Israeli protectorate. Why, immediately after the 'Peace in Galilee' operation, the outcome of which was a clear-cut victory for the Israeli army, did the United States, France, Italy and the United Kingdom leave their troops inactive, thus leaving the field free for an opponent whom we did not have the courage to name, so that Syria and the PLO could reorganize their forces and re-occupy the territory, where they will subsequently fight each other? This will provide food for thought for historians.

Does such a policy do anything to help peace? I do not think so because all the factors of division, upheaval and explosion remain. Internal division between Lebanese, Muslim fundamentalism exacerbated by our cowardice, the armies of Israel and Syria facing each other, and the USSR out to gain control of the region. And still worse : if tomorrow one of these factors were to lead to the genocide of the 1 300 000 Christians gathered in the ruined perimeter of East Beirut, the universal conscience would go through a crisis which would this time threaten the very foundations of democracy.

At such a crucial time in the relations between Christians and Muslims, the European Parliament must remember that the right of peoples to self-determination is itself limited by the right of others, i.e. the Lebanese Christians, to live. As Paul Valéry said, 'Every race and every country which has in turn been Romanized, Christianized and had its intellect subjected to the discipline of the Greeks is totally European'.

And so why does not the European Parliament propose the organization in Beirut of a conference under the chairmanship of an exemplary personality, such as the King of the Belgians, at which the brotherly solidarity between the European Community and the Lebanese Christians would be affirmed? Yesterday we adopted by a large majority a resolution essential for our future security. Let us back this voluntary affirmation by an act of courage intended to make it clear to the whole world that the Lebanese Christians are part and parcel of the European Community, the guardian of our destinies. For the present, the European People's Party will be happy to vote for the motion for a resolution by Mr Donnez.

Mr Veronesi (COM). — *(IT)* Mr President, Members of the House, no-one can ignore the Lebanese tragedy; this Parliament cannot ignore it, nor do we Italian Communists wish to.

However, this motion for a resolution before us does not seem to me to radiate clarity. Recital B is really suspiciously simple. The harshest criticisms of the United States initiative and military presence in Lebanon came from within that country and were made by forces who support the current administration. This fact is the opposite of what is stated here.

Also recital C does not convince us; it presents a simplification of a situation which is in fact very, very much more complex. We agree that the foreign troops should leave that territory, but the way in which the situation is portrayed does not convince us.

We fully agree with paragraphs 1 and 2 and invite the Commission to study carefully the aspect of the problem which has been brought up here.

Without going into the aims then, we must say that paragraph 3 seems ambiguous. I believe that no-one has had enough courage to speak frankly on this subject; to give full details of what the implications signify, implications which are obvious in this paragraph.

For this reason, we confirm our unconditional support for the proposals and with regard to paragraph 2, we shall abstain from voting.

Mr Giolitti, Member of the Commission. — *(IT)* Mr President, the Commission shares the concern of this motion for a resolution. The situation in Lebanon is tragic and the various parties and communities will

Giolitti

have to show great courage and understanding so that the people of that country can escape from the vicious circle of violence which surrounds them.

The Commission shares the hope of the Foreign Ministers of the Ten, expressed on 27 March, that the Lebanese Government and all the political forces will continue to strive for a national solution in order to bring lasting peace to the whole country and to find a just solution to the internal problems.

The Commission has been aware of the humanitarian needs which have to be met in Lebanon, and in the last two years has six times supplied emergency aid worth about 10 million ECU, for medical and emergency supplies and food for families. The Commission has also sent several tonnes of food aid, worth more than 12 million ECU, directly and indirectly through non-governmental organizations. We are now considering the dispatch of further food and emergency aid.

The Commission representative in Beirut is in close contact with the Lebanese High Relief Committee and with its President, who is the Lebanese Minister of Public Health, and also with the local non-governmental organizations so as to ensure appropriate coordination in the supplying and distributing of aid.

I can assure you that the Commission will continue to keep itself well-informed on the situation and will take appropriate measures to go on with the relief work.

Mr Donnez (L). — (FR) It seems that the frankness of my ideas is somewhat suspect. I admit that I am frank at times but I hope that I am never suspect. But to keep Mr Glinne happy, I am ready to accept the fact that recital B has been overtaken by the events and in order to get the broadest possible consensus in the House I am more than willing to withdraw the paragraph.

President. — The debate is closed.

*Vote*¹

Exit visas

President. — The next item is the motion for a resolution (Doc. 1-152/84) by Mr Kellett-Bowman and others on exit visas.

Mr Edward Kellett-Bowman (ED). — Mr President, we turn from a matter which affects the whole of the Middle East and the peace of the world to one which affects acutely a single family. Three-and-a-half years ago, Mr and Mrs Terry Holmes, who live at Baxenden, in my constituency, came to me and asked for help to get her sister and nephew to the Federal Republic of Germany. At that time Mrs Holmes's

sister, Frau Samuel, was a staff nurse in a hospital at Halle/Neustadt. She had applied for exit visas and was told that if she persisted she would lose her job and her son, Thorals, would be taken into care. If, however, she withdrew her application, she would be promoted to nursing sister. Not wishing to lose contact with her son, she accepted promotion. The new factor is that Frau Samuel's mother, Frau Edel, is seriously ill at Schomberg in the Federal Republic of Germany. Frau Samuel wishes to go there to care for her sick mother. In the last 10 days Frau Samuel has twice been refused exit visas. A letter which was sent to Mr Honecker, however, has produced one result: the authorities have offered to allow Frau Edel to go to the German Democratic Republic. Unhappily, she is too ill to make that journey.

I realize, of course, that the Federal German authorities and the East German authorities have a system for dealing with these matters, but I would say that this case is very urgent and cannot be delayed by bureaucratic procedures.

I am grateful to the enlarged Bureau and the House for allowing this motion to take time during the period set aside for urgent and topical debate. I invite the House to support this motion for a resolution on humanitarian grounds and to add to it the request 'that it be forwarded to the Foreign Ministers working in political cooperation', so that they in turn can forward this request to the government of the German Democratic Republic as a matter of urgency.

(Applause)

IN THE CHAIR: MR ESTGEN

Vice-President

President. — The debate is closed.

*Vote*¹

Political prisoners in Turkey

President. — The next item is the motion for a resolution (Doc. 1-160/84/rev.), tabled by Mr Glinne and others on behalf of the Socialist Group, on the situation of political prisoners in Turkey.

Mr Glinne (S). — Mr President, the number of deaths of hunger strikers in the prison of Diyarbakir has apparently risen from 11 to 13 in the last few days. Up to 20 other hunger strikers are now in a very serious condition and are under medical treatment. The hunger strike in Mamak prison ended a week ago and in Diyarbakir about 10 days ago.

¹ See Annex.

¹ See Annex.

Glinne

It is reliably reported from Diyarbakir that since then the amount of torture and maltreatment of prisoners has increased. One has the feeling that the Turkish military authorities are confident that now that the municipal elections have been held, Western European opinion will ignore the human rights situation in Turkey. The fact remains that despite the supposed restoration of parliamentary democracy, the Turkish military authorities remain in total control of the prisons and the civil authorities have no influence whatsoever. After protests by the wives and families of the Diyarbakir hunger strikers, the Minister for Justice visited Diyarbakir from 11 to 14 January 1984, but was not allowed to inspect the prison. It is now reliably reported that he went again to Diyarbakir on 1 and 2 March 1984 together with the Minister for Health, and neither was allowed into the prison.

In this situation, it is difficult to have much confidence in the assurances of the Prime Minister, Mr Özal, that the commission of enquiry which he proposes will really be able to conduct a serious investigation of the allegations or to ensure the improvement of the situation in military prisons. We are all anxious to ensure an improvement in this aspect of the situation in Turkey so that we can all welcome Turkey back into the democratic family. Here is, dear colleagues, an area where we insist on concrete gestures by the civilian government in Turkey.

Mr Habsburg (PPE). — (DE) Mr President, I would like to quote a Latin saying for the benefit of the previous speaker: *Quousque tandem abutere patientia nostra!* In every session now we have a motion for a resolution on Turkey. I think is enough!

There is soon to be a hearing on violations of human rights, and we have a complete programme for this. So I would like to advise the previous speaker to read through the speech on Nicaragua which his group colleague Mr Hänsch gave at the last part-session and be kind enough to replace *Nicaragua* with *Turkey* and *Commandantes* with *Özal*.

It is high time we showed some understanding for a country which, heaven knows, is making enough effort to return to democracy and has really done a great deal. If we carry on like this, the outcome will be that nations will ask us if they really have to be enemies of the West before we show them any understanding. For this reason the European People's Party rejects this request for urgent procedure. The author should present it at the next hearing on human rights in Turkey, which will take place in three weeks' time.

Mr Efremidis (COM). — (GR) Mr President, if there is one thing that is certain it is the unacceptable tolerance and tactical support shown by this Parliament and the majority of its Members in the face this behaviour on the part of the military regime in Ankara, in breach of all the principles you supposedly believe in

and all the declarations you make. Outrages of all kinds are a daily occurrence. If you ignore the cry of the prisoners who organize hunger strikes and suffer torture and death, you will some day get your deserts as you did at the time of Fascism and Nazism.

Mr President, the motion is far too mild and clement. However, we will vote for it because no doubt there are some who understand the drama of the Turkish people and who see that when this kind of barbarous behaviour is tolerated it sooner or later spreads like a contagious disease.

(Applause from the left)

Mr Giolitti, Member of the Commission. — (IT) Mr President, it is through this motion and this debate, that the Commission of the European Communities learned of the facts mentioned here with regard to the grave situation of the political prisoners in Turkey. The Parliament has known of the Commission's position of principle regarding the violations of human rights committed in Turkey. In spite of the progress which has been made towards establishing a form of democracy, the Commission is still concerned about the situation of human rights in that country.

President. — The debate is closed.

Vote¹*Chlorofluorocarbons*

President. — The next item is the motion for a resolution (Doc. 1-153/84), tabled by Mr Sherlock on behalf of the European Democratic Group, on chlorofluorocarbons.

Mr Sherlock (ED). — Mr President, first, I would like again to thank the House for their helpfulness in allowing this to come forward under Rule 48 this morning. It had been my intention to submit this, as indeed I did, as an oral question with debate; however, at this late stage in the life of this Parliament, the present procedure allows me to reaffirm my intention that, as far as is possible, decisions of this House and of the Communities in this field should be based on the best available scientific evidence at any time. I do not mean that absolute proof should always be obtained before taking political decisions. We might in that way sometimes be too late. I would apologize for my error in paragraph 3 of my motion, where I refer to the previous decision as being 'scientifically ill-founded': perhaps 'under-informed' or 'in scientific conflict' would be a more accurate description.

I am offering this as an opportunity for the Commission to proceed with similar haste if they feel, as a result of further inquiries, that the time has come

¹ See Annex.

Sherlock

for lifting restrictions on a family of substances which, at terrestrial level at least, have been demonstrably and noteworthily harmless. It was only the possibility of what I, almost five years ago, described as 'this strange fandango danced at molecular arm's length in the upper layers of the stratosphere' that was the justification for the Council's original decision.

I ask that its withdrawal be considered at an early date.

Mrs Schleicher (PPE). — *(DE)* Mr President, ladies and gentlemen, I can understand Mr Sherlock's request in so far as we discussed, in the debate on the decisions now in force, whether the scientific evidence really was adequate for the adoption of these measures. We rejected this at the time and said that as a precaution we wanted at least a reduction to be made so that we could agree to a standard level in Europe. Today Mr Sherlock's motion goes a lot further. I must add that in my opinion we cannot always hold up decisions in the whole field of environmental protection until we have proper scientific evidence. If in the meantime, however, it has emerged that what was supposed then is completely unfounded, I would ask the Commission to act accordingly.

However, a new problem has developed, namely that countries which act accordingly and observe the guidelines always lose out, while those which do not do so can gain enormous advantages. Therefore I urge the Commission to re-examine this problem which Mr Sherlock has brought up, that is whether appropriate action can also be taken if it becomes apparent that what was suspected cannot be proved.

I must add, however, that my group cannot agree to this motion in its present form because it goes too far in requiring that environmental protection measures must be based on proper scientific evidence. I do not completely agree with the proposal which is being considered here and I must, therefore, ask my group to vote against it. However, I ask the Commission to study paragraph 3 very carefully and to consider what measures can be taken if it turns out that the measures adopted might possibly be withdrawn.

Mrs Scrivener (L). — *(FR)* Mr President, ladies and gentlemen, I think we must be very clear on this matter. I was the rapporteur the last time we dealt with this problem of chlorofluorocarbons. The House adopted that report by a large majority — a report which was extremely well balanced, since it allowed for the indispensable protection while at the same time seeking to achieve a gradual reduction in the use of chlorofluorocarbons. We asked for nothing more, except that all the countries should comply with the same rule.

I think that since we adopted that report we have not had sufficient scientific data to warrant changing our proposals. I would therefore ask the House to main-

tain its position, i.e. vote against the motion tabled by Mr Sherlock.

Mr Andriessen, Member of the Commission. — *(NL)* Mr President, you will not be surprised if this speaker is not quite at home with so technical a subject. However it is a subject which could prove to be of enormous significance to the protection of the environment, a subject to which this Parliament has quite rightly devoted a great deal of attention. From the evidence, chiefly, of the three most recent scientific research reports, the Commission has absolutely no proof that there is no link between the presence of CFC and damage to the ozone layer.

These reports are the UNEP Coordinating Committee report of 1983 on the ozone layer, the US National Academy of Sciences report of 1983 and the NASA report of 1983. What these results do show is that the potential danger to the stratosphere is probably less than was previously assumed, but there is continuing uncertainty on a number of points. The Commission feels that more research into these questions is necessary to further our understanding of the situation. The Commission's position in the discussions on the UNEP Convention for the Protection of the Ozone Layer is still based on our long-standing policy of preventive measures, linked to the Community's preventive policy as laid down in the third environmental action programme.

The Commission's most recent research, the findings of which were submitted to the Council in June 1983, therefore includes the following conclusion. I quote :

On the basis of the scientific and economic information now available, there are no grounds for amending the Community's present policy of preventive measures.

The Commission feels that for the time being its policy should be continued. In accordance with the conclusions of the same communication in 1983 of which the Council took note, the Commission has undertaken to carry out a new study of all aspects of the situation before the end of 1985 and, depending on the outcome of this study, propose suitable measures at Community level. The Commission has committed itself and will keep to its commitment.

Finally may I say, Mr President, that in the past the environment has suffered so much damage due to lack of care and short-sightedness that it is probably better now to be overcareful than not careful enough, and I believe therefore, that the Commission made the correct communication to the Council and will have to redefine its position before the end of 1985.

President. — The debate is closed.

We have come to the end of the first part of the agenda. I propose that the sitting be now suspended until 12 o'clock but first I have an announcement to make.

President

The written declaration tabled by Mr Marshall and others on the treatment of Jews in the Soviet Union has been signed by 238 Members and therefore, pursuant to Rule 49(5) of the Rules of Procedure, it has been forwarded to the parties concerned.

Mr Patterson (ED). — Mr President, I appeal to you to report back to the enlarged Bureau on the proceedings this morning. We have now run out of speakers and there has been an appalling attendance at what should have been a sitting on topical and urgent debates. When we had a so-called urgent debate a moment ago on Turkey, the Socialist leader could only muster 24 people to come into the Chamber and vote for something which was supposed to be urgent. That is a symptom of what I think has been happening with this period. The enlarged Bureau is not choosing genuinely topical and urgent matters. The Rules do not require us to have all this time. The Rules only require us to make time available if something is genuinely urgent. May I ask you to report back to the enlarged Bureau on the attendance and on the speaking this morning, so that next time and in the future we only debate matters which are genuinely topical and genuinely urgent.

President. — Thank you, Mr Patterson. I have taken note of your statement.

(The sitting was suspended at 11.45 a.m. and resumed at 12 noon)

President. — Before we start the farm debate I have an announcement to make. After Mr Hord and Mrs Castle had raised the matter of the inclusion in the debate of the regulation on the description of milk, we looked into the matter and found that the Commission had submitted a request for urgent procedure in respect of this regulation. Parliament approved the Commission's request. In the meantime the Council has not yet officially consulted Parliament on this proposal for a regulation. In the circumstances it is not possible for the House to give an opinion on this proposal. It must therefore be withdrawn from the joint debate.

(Applause)

4. Council of Agriculture Ministers (Statement and proposals by the Commission)

President. — The next item is the joint debate on :

the statement by the Commission on the outcome of the meeting of the Council of Ministers of Agriculture, and the

proposals from the Commission to the Council for :

- I. a regulation amending Regulation (EEC) No 1079/77 as regards aid for small-scale milk producers ;

- II. a regulation amending for the third time Regulation (EEC) No 1431/82 laying down special measures for peas and field beans ;

- III. a regulation fixing, for the 1984/85 marketing year, the activating price for the aid, the guide price and the minimum price for peas, field beans and fodder lupins ;

- IV. a regulation amending Regulation (EEC) No 2966/83 on the development of agricultural advisory services in Greece ;

- V. a regulation amending Regulation (EEC) No 2968/83 introducing a common measure for the acceleration of collective irrigation operations in Greece.

(Doc. 1-127/84) ;

proposal from the Commission to the Council for :

- I. a regulation on the granting of a slaughter premium for slaughter cattle in the United Kingdom in the marketing year 1984/85 ;

- II. a regulation on the granting of a premium for the birth of calves in Greece, Ireland, Italy and Northern Ireland and the granting of an additional national premium in Italy in the marketing year 1984/85.

(Doc. 1-145/84).

Mr Dalsager, Member of the Commission. — *(DK)* Mr President, in the past two months I have had several opportunities to report here in Parliament on the agricultural negotiations which were taking place in the Council. The last time I was here, I said that I was relatively optimistic, and I am glad to be able to say now that my predictions in this regard were correct. I am therefore especially happy to inform Members of the decisions taken in the Council on 31 March. Their content has already been communicated to the Committee on Agriculture, and today I would like to single out the three points which are of special political significance.

Firstly the Ministers of Agriculture have finally shown that they were capable of handling some very difficult problems, relating not only to prices — that is only one part of the issue — but to the whole question of adapting the common agricultural policy and bringing it more into line with the economic realities. The fact that, in addition, the Council succeeded in reaching a decision before 1 April, is a good sign. The Ministers lived up to their responsibility, they appeared as European ministers and not simply as national representatives. I can only say that this is something I should like to see happen far more often. Meetings which last all night are not the ideal method of attending to public affairs, but it shows that the Ministers of Agriculture have the will to obtain results. It is tempting to say that if other ministers at Council meetings

Dalsager

showed the same energy and political determination as the Ministers of Agriculture, the Community could make faster progress than is the case today.

The package which was finally adopted benefits all interested parties equally. Each Member State made concessions, and each Member State won concessions. That is the way things happen in the Community. Nobody loses, but nobody wins either. Instead all appear as winners, since the Community itself has been strengthened.

Parliament has also made its contribution to this satisfactory result. It has been reasonable, and in recent years has accepted the need for changes. This was the message in the Plumb report in 1981 and in the Curry report in 1983. Parliament realized that it was neither economically sound or financially viable to continue with unlimited price guarantees for agricultural products, irrespective of the sales prospects in the Community and on world markets. The Woltjer report is of a later date, was adopted by Parliament last month, and argues in favour of a price policy characterized by the enormous caution which the market situation demands.

Parliament has shown courage in the resolutions it has adopted, and I would like to praise it for this. I take this opportunity also of reminding you that Parliament will be voting this week on a number of urgent questions which still remain from the price package, and where we need a rapid decision so that all the measures can enter into force.

I have spoken of the role of the Council and Parliament. I come now to the Commission's role, and here I can say straight out that we are satisfied that the policy which has now resulted after three years' negotiation, and which the Commission has championed, has at long last been implemented and has proved to be correct. We have told Parliament the truth, we have stated honestly what has to be done. At times Parliament did not like this, indeed there are Members — even some of my friends in the Committee on Agriculture — who attacked me and said that my proposal would be rejected. But this was not the case. For the most part it was accepted. Therefore my colleagues in the Commission and I are naturally satisfied that we also have achieved with Parliament's help something of importance for the Community.

The second point concerns the changes we have made in agricultural policy. Let me emphasize here that there was never any question of replacing the entire old system with something new. The common agricultural policy must respect the aims set out in Article 39 of the Treaty. Changes in the agricultural policy must not be too sudden and unacceptable for the parties concerned. Changes must be gradual and realistic and should be based on a clear understanding of the final goal.

The Commission's view is that in the next five to ten years agricultural policy must be increasingly geared to markets. It must not provide incentives for the

production of undesirable surpluses, and in those areas where there is room for enlargement, the common agricultural policy must make cautious expansion possible. In those cases where quality can be improved, the agricultural policy must promote better products. Above all we must ensure that agricultural production reaches the final consumer in the quantity and quality required.

It is not a policy of production restriction. It is an attempt to steer production along lines dictated by common sense. Consideration must also be given to the agricultural policy's social aims, and if we are vigilant we can succeed. As regards milk, for example, we have introduced a quota system which will make it possible for milk producers to plan on a more secure basis, rather than reducing prices by 12 %, which would have had a catastrophic effect on incomes. There will be transitional problems, and for this reason there is a special increased quota in the first milk year, but in the longer term farmers can now take their decisions on a secure basis without the risk of an abrupt reduction in dairy prices.

The problem of agricultural incomes must be seen in a broader context. It is not by constant price increases that we will solve the problems of low incomes in the rural areas, least of all in the less favoured areas or in the Mediterranean areas. We all know that price increases normally help the bigger farmers and those who have expanded most. Future policy must be aimed at the development of rural districts in the wider sense. By improving agricultural structures and by improving the general infrastructure we must try to help the agricultural population to reduce production costs and boost sales. By creating alternative employment outside agriculture we can help agricultural families to increase their incomes. Agricultural policy and regional policy must be closely linked. Now that we have taken a decision on the agricultural package, we must call on the other Ministers in the Council to take new initiatives to bring new life into Community action to achieve economic convergence. This is another reason why we need new sources of revenue for the Community.

The third point is that there are many things which we ourselves must finalize within the common agricultural policy. Later today Parliament will be discussing agricultural structures, and that is a crucial element, but our work is not over yet either as regards markets. It will not be easy to administer the markets in the coming year. Despite the decisions on milk we may finish the year with butter stocks totalling 1 million tonnes. The beef sector is already a problem owing to the decline in consumption, and the adjustments in the dairy sector will increase our difficulties with beef. In future we will have to accept that a restrictive price policy is necessary until we gain better control over production. Now that the principle of guarantee thresholds has been accepted, we must apply this principle sensibly and perhaps in some cases extend it.

Dalsager

We have come a long way with the monetary compensatory amounts. By the end of this year the positive monetary compensatory amounts will have been virtually abolished. The difference between the negative and the positive monetary compensatory amounts was up above 20 points a few weeks ago and has now been reduced to less than 10 points, and at the end of the year it should be down to 4. New positive monetary compensatory amounts will not be introduced. However, let us be realistic. We have cured the symptoms, but the cause of the monetary problems has not disappeared. Future changes in parities within the EMS may result in new negative monetary compensatory amounts, and for this reason we need to develop greater monetary stability. Consequently this is not the end of the matter. In many respects it is only the beginning. But in the medium term we face a serious problem of financing the common agricultural policy. Since the Council has not accepted all our proposals, e.g. the levies on oils and fats, we have not made all the savings we had hoped for, and there is also the question of the economic situation and the expenditure which was deferred in previous years. In view of all these factors the Commission has made it quite clear that additional financial resources will be necessary to cover EAGGF expenditure in 1984 over and above the existing outline budget. The Commission will put forward detailed proposals to solve this problem as quickly as possible.

I believe that the Community can and will strive for financial solidarity with the agricultural population and to consolidate the new agricultural policy on a more secure economic and financial basis in coming years. The decisions on agriculture show that there is already a will among politicians in Europe to rationalize and improve not only the agricultural sector, but the Community as a whole.

IN THE CHAIR: MRS CASSANMAGNAGO
CERRETTI

Vice-President

Mr Curry (ED), *chairman of the Committee on Agriculture*. — Madam President, I think that we would all wish to echo the words of the Commissioner in congratulating the Ministers for Agriculture on actually having reached a package. I do not need to be quite as charitable as the Commissioner: we wish, of course, that the Agricultural Council five years ago had reached agreement on the necessary changes in the agricultural policy. I think the current generation of agricultural ministers have worked very honestly and very hard; we have to salute them, because they had so much of a mess to clear up that had been left by the inaction of their predecessors. That, too, I think, needs to be said.

The result is, of course, that not one of them has gone home to be acclaimed with roses strewn in his path, or presents left mysteriously on his doorstep over-

night. They are all receiving a hostile press and a great deal of difficulty in their domestic situations. This is the price they are paying for having had the courage to take decisions, and I feel that we should show understanding. We should also recognize that everybody has accepted pain in this settlement, that any debate which centres upon the different levels of pain from country to country is rather irrelevant and that now we really need a solid effort to explain to our farmers what has happened. We also need a solid effort to make sure that the measures which had to be taken at very short notice this year are not reproduced in the future by a similar failure to grasp difficulties.

We must also acknowledge that the Commission itself has produced a series of proposals for change and that it is not fair to blame the difficulties on the Commission. I would also like to say on behalf of the members of my own committee that we have handled this legislation very quickly. We have met every single deadline Parliament asked us to meet. That has meant that we have had to work in difficult conditions, and I would very much like to thank my colleagues for their tolerance and their help in making it possible to deal with an extremely weighty agenda in such an efficient way that we have no responsibility in the holding up of legislation and necessary changes and that we have fulfilled our role in discharging our responsibilities.

There are, Madam President, certain anxieties which come to mind as a result of this settlement. I should like to voice these anxieties, because I would like the Commissioner to appreciate that what we need now is a forward plan for agriculture, so that farmers may understand the sort of measures which are thought to be necessary in the years ahead instead of having to accommodate themselves at very short notice to a very dramatic change and so that they may be able to have a reasonable assumption of the sort of policies which are likely to be pursued.

The cereals sector concerns me considerably. This year we are heading for what my friend Mr Sutra de Germa described on a different occasion as 'a catastrophically good harvest'. As well as that, of course, in the United States the end of the special set-aside programme means that there is going to be a very wide expansion in American production. The impact on the world market may decline — the price may decline — and, of course, it is not certain that the dollar is going to continue that remorseless rise which did so much to help us in terms of the costs of the CAP recently. In other words, we may well find that if this was the Year of the Cow, next year is the Year of the Corn, and that we shall find ourselves with a serious cereals problem on our hands. I think we need to know at an early stage the sort of forward thinking of the Commission towards tackling that problem. We need the policies while we have time to understand the policies. In particular, Madam President, this package does actually increase the imbalance between the cereals and the livestock sector. There will be

Curry

dairy farmers who will abandon dairying and plant cereals. Dairy farmers will remain in dairying but plant cereals to try and get some cheaper feed for their dairy cows. So this reform does more than anything else to make the cereals sector the great privileged sector in the CAP. I think this fundamental imbalance is a very great cause of concern within the operations of the CAP and I would like to know what measures are proposed to restore the balance to a livestock sector in which very few farmers anywhere in Europe are making substantial profits and a great many are making no profits at all. Some of them, indeed, are suffering very badly financially.

On milk, we have to recognize that a Draconian reform has taken place. Far from being told that they could produce and continue to increase production, farmers are being told not merely that they may not increase but that they are being hauled back on the amounts of milk which they can produce. It would be wrong to pretend that this is not Draconian. But at the same time we must recognize, because it is a plain fact, that this reform does leave a large volume of production for which it is very difficult to foresee a market built into the quota system. What is going to be very important from now on is the pricing policy that the Commission and the Council pursue, because we do not wish to see consumption retreating away from the level of quotas fixed so that in five years, instead of discussing whether or not it might be possible to liberate the sector from the quotas, we are merely talking about to what extent we can actually tighten the screws on quotas. The sugar sector reminds us that when one has got a quota system, it is really very difficult to change it, let alone to abandon it. I think that we should not have any illusions that we are likely to look forward to a restoration of approximately the same market system for milk in some years' time.

I must also express my anxieties about some of the consequences of the proposals on monetary compensatory amounts, because what, it seems to me, is going to happen is that we are moving towards a system where the level of prices in national currencies is going to be determined in national capitals. Now, of course, to some extent this has happened over the last few years, but it has been a mixture between Commission proposals and what happens in the national capitals. Under the new system, however, the price proposals the Commission will come forward with are the price proposals that will apply in Germany. That appears to be the necessary consequence of this agreement. In all other national currencies the level of prices will be determined by the Finance Minister as a function of what is happening to his own economy and the sort of levels of price rises he believes he has a tolerance for in his national economic framework. Madam President, this is a form of renationalization of the CAP. I do understand fully the difficulties the monetary situation causes. I understand fully the

emotions which it gives rise to, but I think we should be aware that the step we have taken does have very large consequences for the way the CAP operates in future.

You have mentioned the financing question, and I think that although it is sometimes difficult to explain that a reform actually causes an increase in expenditure, there is in fact a provisional increase in expenditure following from this reform. You have mentioned, of course, that this arises from the non-reform as well as those proposals from the Commission which have not been accepted. But we would like the assurance, Madam President, that we will not have this year what happened last year, i.e. that when we reach the last few months, there will be management measures taken which are not fully explained, which are not planned, which lead to panic across the farming community because they hear rumors and whispers of rumors of measures going to be taken. Could we have some sort of predictable and planned response as to what management measures may be taken in order to curb expenditure, and are we going to have a large-scale transference from the 1984 to the 1985 budget and a permanent series of carry-overs? That does have consequences for the Council agreement to establish a ratio between the increase in own resources and the increase in agricultural expenditure.

In conclusion, this is the end of the beginning of the process of reform. It has been a courageous, if a belated, beginning. We do congratulate, without necessarily endorsing the decisions, those who have taken them and recognize the difficulties in which they find themselves. We hope to play a constructive role in the deliberate forwarding of this essential agricultural policy with its importance to the Community.

(Applause)

Mr Woltjer (S). — *(NL)* Madam President, I would like to follow the example of the Chairman of the Committee on Agriculture, and offer especial congratulations to the Commissioner and to the President of the Council, who I think deserves an extra mention, because we are all aware of his hard work and tremendous interest in saving the common agricultural policy. His efforts have made this agreement possible.

This is in itself a good thing, and as the Chairman of the Agricultural Committee said, it could be the beginning of a new agricultural policy. I echo this opinion. As you know, we have for a long time been calling for changes in the agricultural policy. We have made our opinion quite plain, we have submitted proposals and expressed our ideas quite clearly in this Parliament. We have met resistance and we have realized that decisions take a long time in Europe. This much we have learnt.

If I leave no room for doubt about our tremendous enthusiasm for the fact that at least one agreement has been reached and that the common agricultural policy has been saved at least from immediate collapse, then

Woltjer

this is no more than a reflection of my party's feelings. However, I must touch on a number of problems — which have already been raised by previous speakers — and I would be very grateful to the Commission for a reply.

The first problem is of course the question of financing. The agreement has clearly gone so far that considerably more money is needed than there is at present in the agricultural budget. The depleted coffers are to my mind one of the most serious problems now underlying the agricultural agreement. We are by no means out of the woods yet. The Commissioner mentioned this himself. I would be grateful if he could tell me once again precisely when the Commission is going to make its proposals. We have to know soon and the Commission must appreciate that Parliament will shortly be entering the election period, going into recess and being replaced by a new parliament and must know what these proposals will be and be able to give its opinion on them.

The second problem — the Commissioner mentioned this as well, but did not discuss a solution, or make any suggestion for a solution — the second problem is that of the enormous surpluses piling up in our warehouses, which are theoretically damaging our own market, our own world market, especially the dairy sector since they push prices down. A solution must be found if the vicious circle is to be broken and I would like to hear from the Commissioner what action he is considering taking in the short term to at least reduce the surpluses.

If we consider that in 1983 eight million tonnes of milk equivalent were bought into intervention that in 1984 we have reduced milk production but only by four million tonnes milk equivalent, and that there is still a surplus of four million tonnes milk equivalent which must go into intervention, then the question of what must be done with this surplus is very important, because otherwise it will continue to grow and bring the agricultural policy once again into jeopardy.

Mr Curry mentioned the distortions which are now threatening to creep into production patterns. He mentioned the swing towards cereals. The Commissioner himself has already referred to the swing towards the meat sector and the problems which this could cause, and here again I would like the Commissioner to say precisely what concrete measures the Commission intends to take on this point. Because if you let these things get out of hand, if huge surpluses develop which will later need to be dealt with, this will involve a greater outlay of capital, which could otherwise have been turned to good use later on, and this is precisely what we should be trying to avoid.

Relations with third countries are another problem. For example, I read in the press that the Commission has submitted proposals to the GATT suggesting a levy on more than two million tonnes of corn gluten.

If I were asked to put a label on this agreement, then I would say that it is an agreement which may indeed

be the beginning of a better agricultural policy. Coming from the Netherlands, I want to make it quite plain — because it appeared from the press that the Netherlands Government was particularly opposed to the Irish dispensation — that I am pleased for our Irish colleagues and the Irish Government that they have been allowed to increase production, but I must say at once that this again raises a problem, because nothing has yet been said in Europe about who should benefit from it. We have only spoken of Irish growth, and to my mind this represents a return to renationalization of the agricultural policy. I think that this growth should benefit the smaller farmers in Ireland and that we should turn our attention to this as well. I hope that my Irish colleagues will be willing to consider this shortly. The credibility of the common agricultural policy has been seriously jeopardized. I hope that now we have achieved enough to begin discussions afresh on another footing, to achieve an agricultural policy covering not only growth of production but also the improvement of farms and the interests of farmers.

Mr Dalsass (PPE). — (*DE*) Madam President, first of all I should like to thank the Commissioner for his statement. I must say that it is a good thing that a decision has at last been made on agriculture. But I am somewhat surprised that, with all its administrative apparatus, the Commission is unable to publish this information quickly in all languages ...

(*Applause*)

... since it is, after all, important not only for Members of Parliament but also for those directly concerned to be informed immediately of the content of such decisions.

As regards the content of the decisions themselves, we were aware that in the present situation the price package would not be up to much — we do, after all, know what the European Community's financial situation is like. Zero and negative prices affect considerably those concerned, for whom they are a nasty blow. But I must say that this must remain a one-off measure. It is unthinkable that the same thing should happen in future when the price package is adopted.

We have heard what the arrangement is on milk. I must say that Parliament also was always of the opinion that the surpluses would have to be reduced. It also agreed to a temporary arrangement on quotas in the belief that it is the only solution if we want to master the situation as quickly as possible. We all know that it is neither justifiable nor financially affordable to produce nothing but surpluses. But in its opinion Parliament also proposes a differentiated approach. There should be special rules for those farmers who only produce a small amount of milk in difficult conditions, especially since they have never helped to create the surpluses and will not do so in future. I am referring here to hill farmers and those in the less-favoured regions.

Dalsass

We can only hope now that adjustments can still be made by the Member States themselves. It is certain that with this quota arrangement there will also have to be an active price policy in future. You cannot simply limit production and then add insult to injury by applying absolutely inadequate prices to the product concerned. We must also adhere more strictly to Community preference, since if we are going to punish our farmers by asking them to foot the bill for the surpluses, we should not allow such products to be imported from outside the Community. Just one example is New Zealand butter.

Recently Parliament agreed to an extension of Regulation No 355 for the financing of structures for the marketing of agricultural products. The financing of structures for the dairy sector was excluded from this Regulation, which meant that, with a special arrangement for mountain and hill areas, where financing would still be possible, there were to be no more such structures.

This exception was absolutely right, since some mountain areas have only recently been provided with a communications infrastructure, so that previously it would not have been at all possible to set up certain structures in the milk sector. But now these areas have also been excluded, with no more provision for financing structural projects.

I should like to call on the Commission to do something to remedy this situation. I also call on the Commission to examine very closely after a short time — perhaps after a year — the correctness and effectiveness of the quota system for milk so that it can make any adjustments and corrections which may be necessary. Those, Mr Commissioner, were my wishes and suggestions, and I expect the Commission to take them into account.

(Applause)

Mr Provan (ED). — Madam President, first of all I would like to congratulate the Commissioner on all the hard work that he himself and his staff have put in in assisting the Council to come to what is very definitely a landmark in the development of the agricultural policy and the European Community.

None of the decisions that have been taken have been easy decisions for a Commissioner and his staff to have to face up to. But I am sure that he knows that there are many in this Parliament and in this group who have been supportive of what he has been trying to achieve not only in recent months but within recent years, because we believe that the future of the agricultural policy had to be modified if in fact the policy was going to survive at all.

Having said that, Madam President and Mr Commissioner, there are many of us who are worried about the financial cost that is going to be consequential upon some of the decisions that have been taken. When one reads of the 2 to 3 billion ECU that is going to have to be sought over and above the 1984

budget, one realizes that we have got some severe budgetary consequences to face in the Community. We realize, however, that any adaptation of policy will have a restructuring cost and one that we must meet for the longer-term benefit of the agricultural policy. If 1984 is going to be bad financially for the Community, let no one doubt that 1985 will be even worse. That is going to be very difficult for the agricultural industry to face up to.

We have, however, got the first ever reduction in prices in the European Community. That has been necessary. We must face up to the fact that it has been necessary, otherwise we would have had open-ended commitments that would no longer have been tolerable. We have an historic agreement. It would be wrong at this stage, now, to have any special pleadings for special causes, and those who seek change, would be wrong. However, I plead with the Commissioner — and I trust he is listening — that all the milk quotas must be implemented fairly and justly right across the Community. There must be absolutely no derogations, as we hear rumours of at the moment, nor any financial manipulation in one or two Member States which are trying to wriggle out of the certain difficulties that we are all facing right across the Community. They will be difficult to set up. There is no doubt about that, but we must seek agreement and make sure that it is just.

The beef premium scheme as far as the UK is concerned cannot be implemented overnight. There must be time allowed so that existing forward contracts can be met without a retrospective tax being imposed on them as the clawback would be. Third country agreements, hopefully, will be exempted also, as they are within the sheepmeat regime.

Let me finish, Madam President, by congratulating the Council on the decisions that they have come to. They were right to reject an oils and fats tax. They were right to reject an intensive levy on milk. And they were right to maintain the sheepmeat policy of the Community which has done so much good in the hills and uplands.

Mr Vitale (COM). — *(IT)* Madam President, it seems pointless for me to reopen a general debate on the Brussels agreement, about which we have already spoken: a debate in which we stressed how, in actual fact, the measures taken are a plain and simple cut in agricultural production in all sectors — and this is the most mysterious point of all — whether there be a surplus or not. Rather than repeat the reasons for the decisions which were taken, the Commission ought to explain to us, Mr Dalsager, what new type of agriculture, what new type of restoration of balance between the zones and sectors will be needed, in 10 years time. It's alright to make cuts, but what new development plan, what strategy do you have in mind? This has not been made clear and this is therefore, what is missing in the proposals and in the statements of the Commission!

Vitale

If we treat market-produce in the same way — which is paid for by the consumers — which was instead produced in view of the intervention, we can't talk about a strategy to restore balance! In the same way: if we put a ceiling on milk, and at the same time also on corn, of which there is no surplus, no general reason for taking this measure can be seen.

In 1962, the agricultural policy had one aim: to achieve self-sufficiency in food, which we were not at that time. Let me ask a question: now that we have achieved the self-sufficiency what is our aim today? And I believe — I ask this question, because I have an answer for you and because I am also convinced that it is necessary to cut certain surpluses — that it should be the diversification of products, that is a cut in the supply of some products and a policy to increase the supply of other products. But the measures which have been taken do not tackle this prospect: they reflect Malthusian policy that is, reduced spending, indiscriminately, in all sectors, without any exact indication of a different form of development.

I would like to conclude a saying that, in order to make up for errors of the past, we have set off on a path at the end of which new problems will join the old problem of imbalances, just because — say it as you will — the proposals did not constitute a reform of the common agricultural policy, but a plain and simple budgetary operation. And this is what we shall go and tell our voters.

Mrs Martin (L). — *(FR)* Mr President, ladies and gentlemen, I have to say that I do not share either the optimism or the satisfaction expressed by the Council or the Commission on the agricultural agreements. My own conclusion, indeed is that the presidency of the Council has done anything — anything at all to reap some glory from success.

Of course, some saving has been made: that, in fact, is the only success, since it was the only objective. At what price? Have you considered how many farmers will be suffocated by the cumulative effect of a virtual freeze on prices, an increased coresponsibility levy and decreased production. And yet you want them to believe that you are defending them.

And have you considered how many rural jobs will be lost as a result of your action? It is not just production which will suffer.

It is all very well for Mr Rocard to say that the French agricultural leaders are wrong to underestimate the ability of the French government to keep production costs under control, but over the last year the price of industrial products needed in agriculture has been rising faster than farm prices. Mr Rocard is careful to overlook the fact that the decisions taken by his government, particularly those relating to employers' contributions and interest rates, running costs have increased by well over 15%.

In order to keep milk production under control you have chosen the worst possible system, and it will need a mammoth bureaucracy. And yet I look towards my own country, and I can see that we had implemented a kind of contractual policy, encouraging all the farmers to give up farming and, as we have done in other sectors, offer them a kind of early retirement, we could have reduced production by almost 20%.

I am also concerned about the future consequences of the ways found by the Council to reduce MCAs artificially. Are they not in fact going to be a pretext for not increasing ECU prices, and will they not in fact lead to a process of renationalizing prices.

In all events I am convinced that the problems have not been considered either globally — since we have abandoned taxing production by the hectare and taxing imported fats — nor in depth, since we still do not know what future the Council and the Commission wish to give to the common agricultural policy, co83,8 ,2common agricultural policy: and we can hold out no hope to the farmers.

Mr Remilly (DEP). — *(FR)* Madam President, ladies and gentlemen, the group of European Progressive Democrats cannot accept the budgetary, technocratic solutions proposed by the Council of Ministers and the Commission: they are a mere makeshift and not, as is claimed, a reform of the common agricultural policy: they are not even a policy.

Our group consequently has a number of proposals which are intended both to apply the Treaty of Rome and to ensure that crisis situations such as we face today do not recur.

First of all, before any attempt is made to reorganize the dairy market, and with a view to ensuring that Community preference is respected, we call for a global policy on fats and equitable taxation of vegetable oils, soya and manioc; we call for an end to the other infringements of Community preference, in particular the possibility enjoyed by Great Britain of obtaining New Zealand products exempt from Community levies; we call, in accordance with the principles on which the common market was founded, for the incomes of small farmers not to be affected by any measures which have to be taken to reduce the cost of supporting the dairy market; We call for an immediate end to monetary compensatory amounts on dairy products; we call upon the Community to implement a dynamic and ambitious policy for dairy products towards the wealthier countries and a generous and imaginative food aid policy towards the poorer countries; we call for the maintenance and revaluation of incentives to fat stock reconversion and non-commercialization of milk, and we call for the establishment of an incentive for feeding herds.

Madam President, may I on behalf of my group express my indignation that in a world in which increasing numbers of children and adults are dying

Remilly

of hunger the wealthier countries should oblige their farmers to reduce production at a time when a true export policy, and basic human generosity towards the less well endowed countries on our planet would allow our Community to assert its true role.

Mr Blaney (CDI). — Madam President, I have noted the pleasure with which Mr Dalsager approached the fact that proposals have been accepted and I also note Mr Curry's statement congratulating the Agriculture Ministers who brought about this agreement. He goes on to say that, in fact, this should have been done five years ago. I could not agree with him more; nor would I disagree with the Commissioner who expressed his pleasure that proposals have been accepted. But I think that taken together the two things put the finger on the real situation, which is that we moved along blindly for the last five years, when we should have been making moves to change things so that we did not arrive at the sorry dilemma that we found ourselves in this year. Instead of congratulating those who have now had to grapple with the situation in a time of crisis, we should not forget to condemn those who, in fact, did not do anything about it. That includes our own Committee on Agriculture who, over the years, when there was any mention of reform, threw their hands up and said 'you cannot do this' but never came up with any proposals. The result has been that at the end of the day, on the instructions of the Summit, the Commission has had to put before us emergency proposals — I would almost call them — that are of the worst possible kind, taken in haste at a time when we had no alternative but to try and find a solution within the critical situation of budgetary constraints.

The Commissioner talked about taking account of Article 39. I liked the sentiment, but I do not like the practice. We are not taking Article 39 into consideration and we are not taking into account another matter that he advocates, which is the social implications of the agricultural policies. He says that he is going to try and come up with something and that we must look outside agriculture for jobs for those displaced. He says that the regions must be taken care of and adds the most true thing of all, namely, that we cannot solve our problems by price policy alone. We have destroyed our agricultural policy by exclusively concentrating on a price policy. We have brought ourselves to the dilemma that we are in by across-the-board prices. We have ignored the fact that those who need our help most are getting least of it. As the Commissioner also said, if applied in that way, prices only help to provide greater profit for the larger farmers and ignore the dilemma of the smaller farmers. This has been my theory right along. I have not been silent about it, but I might as well have been, for all the notice that has been taken of it. We want differentiated price support. This is what we

should have and that is what I advocate and have advocated all along, and the Commissioner is well aware of that.

Mr Pasmazoglou (NI). — (GR) Mr President, I would like to stress that the latest decisions concerning the CAP were a step in the right direction. I would also like to congratulate the Commission and the responsible Commissioner for their contribution. However, special attention must be paid to the Mediterranean products in connection with this new and welcome development and I would like to stress the seriousness of the problem in all the Mediterranean countries and especially in Greece. I would also ask you to give all due attention to the following points which are critical for the agricultural problem of the Mediterranean countries and, in particular, Greece.

Firstly, there is a need to strengthen Community preference for Mediterranean products and the mechanisms which support this system.

Secondly, a decisive boost must be given to the restructuring of crops with a view to concentrating production on those crops which can ensure a higher income.

Thirdly, there is a critical need for more investments in the agricultural infrastructure.

Fourthly, particular attention must be paid to critical social problems which exist in our countries and particularly in Greece. One such issue is the high level of vocational training needed with a view to creating a generation of young farmers who will be fully informed on contemporary problems. Another such issue is the improvement of the system of insurance against damage and natural disasters of all kinds and the improvement of the pension system, because once again I have to repeat that Greek farmers' pensions are one-fourth of the minimum granted under the national pension scheme run by the Greek Social Insurance Foundation.

Likewise, particular attention must be paid to the problems of small producers and we must find a fully realistic method of guaranteeing the incomes of producers with less than 20 hectares of agricultural land.

Finally, Mr President, it is very important to reform the agricultural cooperatives by removing and excluding party politics — something which is mainly up to ourselves — but also by channelling the cooperatives into activities which will exclusively serve the interests of the farming Community, both in the field of production and distribution of agricultural products.

Mr Dalsager, Member of the Commission. — Since the question of information has been raised. Madam President, allow me to tell the House that on Monday I sent a copy of *Green Europe*, together with all the

Dalsager

relevant details, to all the members of the Committee on Agriculture. I also circulated this information at the meeting of the Committee on Agriculture on Tuesday. Therefore I think that the Commission has done even more than it was obliged to do. As far as I know, the Council has also informed Parliament of the decision taken on 31 March.

President. — The debate will be adjourned until three o'clock.

(The sitting was suspended at 1 p.m. and resumed at 3 p.m.)

IN THE CHAIR : MRS DE MARCH

Vice-President

Mr Kyrkos (COM). — *(GR)* Madam President, we have noted the Commissioner's positive views on the decisions of the Ministers of Agriculture, but we cannot say that we share his optimism. The crisis of the common agricultural policy can only be overcome with the aid of a major and far-reaching restructuring programme. Our own position is clear. The needs must be determined in relation to market conditions, the necessary resources must be guaranteed and the financial burdens must be allocated. Today we hear that — despite the measures that have been taken — we will again run up against a million tonnes of butter. After this we must ask ourselves what outlook there is for the Mediterranean products, to take one example, or for the necessary restructuring measures.

The common agricultural policy works in favour of the large producers. This fact is as unacceptable as it is indisputable. In my country the incomes of small and medium-scale farmers have been steadily declining and Greece is by no means an exception. Mr Blaney mentioned examples from his own country. Thus we must opt for differential supports and for structural measures via the cooperatives which will allow a reduction in costs and help to improve products quality. The principle of Community preference must be applied and preference must be extended, in view of all the disasters which can befall production. Small and medium-scale households keep the villages viable as human communities, especially in mountainous and semi-mountainous areas. We should turn our attention to these areas in order to check the depopulation of the countryside and the growth in unemployment. Measures to combat structural surpluses should be accompanied by measures to restructure crops. For example, in Greece there is great potential for expanding cotton production. Thousands of farmers could start growing this promising crop in view of the fact that Greece is the only producer of cotton in the Community, which is deficient in this product. However, the Commission has raised barriers and laid down conditions which make programmed restructuring impossible.

President. — The debate is closed. The vote will be taken at the next voting time.

5. Agricultural structures

President. — The next item is the joint debate on the :

— report (Doc. 1-50/84), drawn up by Mr Bocklet on behalf of the Committee on Agriculture, on the proposal from the Commission to the Council (COM(83) 559 final — Doc. 1-1000/83/I) for a regulation on improving the efficiency of agricultural structures

— report (Doc. 1-70/84), drawn up by Mr Vitale on behalf of the Committee on Agriculture, on the proposal from the Commission to the Council (COM(83) 559 final — Doc. 1-1000/83/II) for a regulation amending Regulation (EEC) No 355/77 on common measures to improve the conditions under which agricultural products are processed and marketed and Regulation (EEC) No 1820/80 on the stimulation of agricultural development in the less-favoured areas of the west of Ireland

— report (Doc. 1-113/84), drawn up by Mr Provan on behalf of the Committee on Agriculture, on the proposal from the Commission to the Council (COM(83) 559 final — Doc. 1-1000/83) for a regulation improving the efficiency of agricultural structures, with particular reference to Titles III and IV of the above, relating to Directive 75/268/EEC.

Mr Bocklet (PPE), rapporteur. — *(DE)* Madam President, ladies and gentlemen, in presenting the proposal for a regulation on improving the efficiency of agricultural structures the Commission has, as it says itself, entered upon a decisive reorientation of its policy on agricultural structures. The philosophy that farming should be forced to fend for itself according to the production laws which apply in the rest of industry has proved wrong. Millions of farmers have been excluded from aid by the requirement of a strict farm development plan and the fixing of an income target based on a comparative non-agricultural income. The Commission itself states that the previous farm modernization policy helped those farmers who already possessed the best facilities for carrying out development plans. There are figures which provide impressive proof of this.

In the Netherlands, where agricultural land represents 2 % of the Community total, about 15 % of all farms have been able to carry out farm development plans with aid from the European Community, while in Italy, with 19 % of the total area, the figures is less than 2 %. That means that aid for single farms as

Bocklet

provided for in Directive No 159/1972 has given a one-sided advantage to the larger farms in the structurally favoured regions, thereby further reinforcing the backwardness of the less-favoured regions and of smaller farms. If we compare the proportion of agricultural land with the proportion of funds obtained by the individual Member States from the EEC, the percentage received by the Netherlands is more than six times its area percentage. The percentage received by Italy, on the other hand, is not even a tenth of its area percentage.

The Commission could not ignore those facts either, which is why it states in its report that the previous farm modernization policy has helped those farmers who already had the best facilities for carrying out development plans. A further factor is that the previous aid policy often tempted farmers to invest large sums in order to exceed the aid threshold. It prevented the gradual organic development of the farms concerned and often led to unrealistic calculations and over-estimations by farmers who were out to obtain aid at all costs. This is partly to blame for the fact that our agriculture is over-indebted.

The previous aid policy is also partly to blame for the increasing surpluses, as the Commission itself is forced to admit in its document. The aid threshold was responsible for condemning agriculture to ever rising productivity. Under the motto 'Expand or die' public funds were used to give extra momentum to agricultural development, to boost production costs and to increase both surpluses and the pressure on prices. In favourable locations there were veritable production battles — a situation in which the only solution now left is massive intervention in the market organizations.

Selective aid on the basis of the aid became completely outdated once the situation on the employment market began to get worse from the late 1970s on. The previous aid policy ran counter to the efforts to secure jobs. This particularly hits the structurally weak regions, where there are in any case fewer job alternatives outside farming. With more than 12 million unemployed on the one hand and 8.5 million farmers on the other in the European Community, the Commission has also realized that a policy of forced structural change would only increase the number of unemployed.

Unfortunately this realization has come years too late. The aim of the new agricultural structure policy must be to preserve as many viable family holdings as possible in rural areas. To this extent the Commission's proposal, which openly pledges to help those who most need to be helped, has our full support. The main emphasis must be on improving incomes by reducing production costs, improving living and working conditions, and energy saving. The Committee on Agriculture welcomes the fact that in

future smaller farms are also to be included in aid for farm investment and demanded that, in the event of a ban on aid for extensions of capacity, aid for rationalization measures should also be limited to a maximum stock of 40 cows and 500 fattening pig places per holding, in order to give preference to improvements in small farms.

According to the Regulation's plan for improving the efficiency of agricultural structures, both farms which are the main source of income and those which are the secondary or auxiliary source of income are in future to receive aid in the form of capital subsidies or equivalent interest rebates or delayed capital repayment, or a combination of these. The proposal for a regulation allows farms which are a secondary source of income to receive aid from the Member States, but normally only up to two thirds of the aid granted to farms which are the main source of income. On this point the Committee on Agriculture has a different view. It rejects any restriction of aid for holdings which are the secondary source of income to a specific percentage of the aid for holdings which are the main source of income, but calls for the prosperity clause to be geared to the total income per family worker, including non-agricultural income, the prosperity clause relating solely to the income situation at the time of the application. We do not want to see a situation in which a millionaire who farms as a hobby can receive public subsidies under the provisions for farms which are secondary sources of income. This could happen under the Commission's proposal, and our proposal to include family incomes is intended to take account of the ever increasing interconnection of agriculture with the industrial and service sectors.

The Committee on Agriculture also holds the view that the effectiveness of the common policy for agricultural structures can best be improved if the Community concentrates on a few broad measures. The Community should accordingly focus its activities on incentives for investment in agricultural holdings, measures to assist agriculture in less-favoured regions and other problem regions, and measures above the single-farm level. We particularly welcome the fact that measures taken by individual farms in the field of environmental protection are to be taken into account in the award of structural aid.

We attach particular importance to the Commission's proposal that, in addition to the hill farming directives currently in force, compensatory payments should be introduced in areas which suffer from specific disadvantages and in which farming needs to be continued for ecological reasons in order to preserve the countryside and its role as a tourist attraction, or for reasons of coastal protection. The instrument of compensatory payments is thus for the first time extended to cases where land utilization is restricted for ecological reasons.

Bocklet

The Committee on Agriculture calls for the agricultural structures policy to be coordinated with the measures being taken, in the context of market organizations, to stabilize markets, and is in favour of a ban on aid for extensions of capacity in areas of surplus production. But it holds the view that, in order to achieve certainty as to the law, the types of surplus production to which such a ban applies should be fixed not by the Commission but by the Council itself when it adopts the regulation. Exceptions to the ban on aid should only be allowed when no production alternatives are available and when aid is absolutely necessary for structural reasons. Unlike the Commission, the Committee on Agriculture rejects the planned total ban on aid in the egg and poultrymeat sector. It should also be possible to provide aid in this area when it is desirable for reasons of environmental or animal protection and does not lead to increased capacity. We also feel that the proposal's upper limits for livestock herds eligible for aid must be applied to all Community holdings, with aid being totally excluded when the limits are exceeded.

I should like to conclude by commenting on the amendments tabled by a few environmentalists. We in the Committee on Agriculture welcome the fact that this Commission proposal for a regulation incorporates environmental protection measures into the financing by the EAGGF Guidance Section, but we do not want to see the latter being transformed into an environmental fund, which is why we shall vote against the amendments in question.

(Applause)

Mr Provan (ED), rapporteur. — Madam President, in all the discussions that have been taking place on the reform of the common agricultural policy, every political group and every Member of this Parliament has been very much aware of the problems that will be faced by the less-favoured areas within the European Community. I have been very pleased to draw up the report for the Committee on Agriculture on the hills and uplands and less-favoured areas generally. I hope that Parliament will be able to endorse the Commission's proposals, because I and the Committee on Agriculture believe that it is highly necessary at a time of squeeze on agricultural prices to be able to say to the people who are living in the less-favoured areas of the Community that we are going to be of assistance to them and going to maintain that assistance so that the survival of those areas and of the population in those areas will be guaranteed. I am, therefore, glad that the Committee on Agriculture has taken the Commission proposals out of the political ambit and said quite categorically that this should be on a continuing basis and not subject to annual review. The Commission proposals, to be in force for a five-year period, are therefore very much welcomed. The rural

areas and the less-favoured areas generally have been dependent for far too long on agriculture and agriculture alone. In its proposals the Commission suggests that we extend the funds available — and let us hope that they will eventually be coordinated with the Regional and Social Funds — so that such other important matters for the rural areas as tourism, craft and service industries and forestry will be properly catered for. It is only through diversification of the total rural economy that we are actually going to be able to do something for the people who live there.

Surpluses are something that we believe cannot be financed through the structural funds for very much longer. That is written large and clear in the report that has come forward from the Committee on Agriculture.

I refer particularly to paragraph 4, which says that we must keep all these funds and compensatory payments under close review in order that further surpluses, particularly in milk, can be avoided. We welcome the provision of compensatory payments for afforestation and consequential to afforestation, because at the present time tenant farmers particularly cannot make any real significant input into one of the products in respect of which the Community is very much in deficit.

I have already mentioned tourism and craft industries. It is important that we do not just talk about them, but, as many people would say, actually put our money where our mouth is. We have got to be seen to actually achieve some results in this area. I believe that the Commission has quite clearly stated that that is its intention.

We also talk in this report about the development of cooperation in the rural areas. I believe quite strongly that when people come together, they can actually add value to the products that come from these less-favoured areas and make quite a significant contribution therefore to increasing their own incomes. For too long the hills and uplands have been pushing onto the market a product which somebody else has found difficult to take and improve and add value to. Through the development of cooperatives I believe that it is going to be possible in the future for people to look after themselves.

I entirely endorse what Reinhold Bocklet has just said about environmental provisions. At this stage of the development of the agricultural policy it is important that we emphasize at every possible opportunity the consequences of failure to recognize some of the problems created by the agricultural policy in the environmental field. Having said that, it would be wrong, in relation to some of the proposals that are coming from the Commission at this stage, to overemphasize the environment when in fact it is our responsibility under these proposals to look after the interests of agriculture.

Provan

In conclusion, it is very often the peripheral areas of the Community that suffer greatest disadvantage. I hope that in future the Commission will pay attention to those people who live in the peripheries and not always expect that the Member States themselves will draw up proper guidelines for where and what the less-favoured areas should be. I hope that in the longer term we will actually define Community less-favoured areas rather than national less-favoured areas. If we do achieve that, I believe it will be a significant development.

(Applause)

Mr Vitale (COM), rapporteur. — *(IT)* Madam President, the Committee on Agriculture noted with satisfaction the guidelines of the Commission which are meant to consider the movement of marketing agricultural products in the context of structural policies a priority and, therefore, increase considerably the Fund which is responsible for this.

However it must be noticed that, in order to be really effective, this movement should be more extensive than that which resulted from the proposals for the renewal of the different directives, which recently expired.

The new Regulation 355, in the opinion of the Commission, although admirable — I repeat — in general terms, needs nevertheless to be modified in some ways, above all so that the aids which this Regulation supplies may efficiently achieve the desired result.

As has been pointed out, the measure finances individual investment projects concerning the marketing of agricultural products, projects which must be part of the sectors programmes which have been defined by the Member States. In the past it has occurred that Member States have presented programmes which were general and unspecific, programmes which were sent only to give a plain and simple formal description through which, then, individual projects, which did not clearly specify definite aims, could be passed, and, sometimes, which had little connection to the interests of the producers.

Resulting from this some modifications requested by the Committee on Agriculture, which concern both the programmes and the projects, are contained in the amendments before you. Some of the Committee on Agriculture's amendments aim at the introduction of greater specification into the contents of the programmes and also greater control on their execution inasmuch as the national financial quotas, the rate of real utilization of the Community funds, compliance with the objectives, the advantages which producers will gain, are concerned. Other amendments, still within this context, concern the relationship which needs to be established between individual projects and programmes. In this situation also it is necessary that the projects should only be accepted

when the national financial quota has already been assured.

A third group of amendments of the text, which the Committee on Agriculture proposes, concerns the measures to facilitate the undertaking of agricultural producers and to ensure that, in every case, the direct or indirect beneficiaries of Community aids will be the agricultural producers. It is true that the Regulation concerns the whole agro-industrial sector, that it concerns industrial change and therefore, also the industries benefit from the Community funds but, let us not forget, that the EAGGF has an agricultural aim and for this reason, in the Committee on Agriculture's opinion, the main aim ought to be to advise to the utmost the producers undertakings, in order that the added benefits, which derive from the industrial change, should benefit the farmers.

Therefore, we propose that the priority of projects presented by agricultural producers should be reaffirmed and that the aid should be given on account of the benefits of the project and finally that the Community aid be extended to the expenses of the projects preparation, the cost of technical assistance, and that every time that we are faced with a project put forward by the producers, whether they be individual agricultural producers or associations, and that, in this context, some advances can be made. In conclusion, we are concerned with priority measures which reinforce a particularly weak situation in which the agricultural producers find themselves when they undertake movements of this sort.

Finally, the Committee on Agriculture; taking note of the fact that many of the projects presented were not then carried out — as occurred under the ruling of the former Regulation 355 — and they were not carried out because of the long lapse of time between the moment of presenting the application and its approval which in a period of high inflation implies a cut in the aid because the costs are always going up, in order to avoid this inconvenience, which has reduced the efficiency of this provision in the past, the Committee on Agriculture — as I was saying — proposes that the aids given by the Community should be calculated on the basis of the cost of the investment and investment of the cost at the time of application but at the time the actual work begins.

With these amendments, which aim at making this fundamental aspect of the structural policy more efficient and also more responsive to the interest and needs of the agricultural producers, the Committee on Agriculture recommends that this proposal and the Regulation of the Commission be adopted.

Mr Hutton (ED), draftsman of an opinion for the Committee on Regional Policy and Regional Planning. — Madam President, the Committee on Regional Policy and Regional Planning has been

Hutton

gravely concerned about the future facing our rural areas. The rural areas have never had the sort of political clout which the depressed city areas can always muster. Sparse population, where the people are really too spread out to have any impact, has left the rural areas to seem to many as only being there for the use of city people when they feel like it. The latter do not normally worry too much about how the areas stay attractive, who does the work of looking after them or who indeed should pay. However, it is important that we, in this House, should be seen to be concerned about seeing that our rural areas are populated, and populated with families who can enjoy the same services as the urban areas.

As pressure on farmers grows and the work available in agriculture contracts, we must all be concerned about what people are to do in the rural areas. We therefore welcome the greater encouragement in these measures for tourism in the hill areas and for forestry to keep hill farmers on their land. We believe that new technology can also play a part in helping people to work at home where they live in the rural areas. We have been keen in the Committee on Regional Policy and Regional Planning to promote measures to exploit the natural potential of rural areas. We expect Member State governments to ensure that the rural areas are not excluded by too much attention being paid to depressed urban areas. The rural areas, which seem so pleasant to people, must have that attention if they are not to be quietly deserted while no one is looking.

(Applause)

Mr Thareau (S). — *(FR)* Madam President, ladies and gentlemen, the three motions for resolutions before us will mark a significant step forward in the structural policy of the EEC.

As long ago as 1963 the need for greater simplification and cohesion was stressed in our debates and in the votes of Parliament. Today, these three reports support the same move. Mr Bocklet stresses the control of production as a means of enabling many firms to expand and survive. The aim put forward is the improvement of farmers' incomes, and in this respect I am pleased with the move to simplify the requirements, which will allow a greater number of them to claim aid.

A farm improvement plan will from now on be sufficient for aid to be granted, without too many purely theoretical criteria, which were only rarely met, being taken into account.

As the rapporteur suggests, we must take into account the case of part-time farmers, but further details will have to be laid down by the Commission, because reduced working hours in industry may bring about a development in this situation and result purely and simply in an accumulation of jobs which is not admissible in these days of unemployment.

The establishment of young farmers must be given more encouragement, because the number of 64 000 laid down by the Commission is manifestly inadequate on account of the age pyramid of farmers. New funds must be released to do something about this.

Emphasizing once again the efforts to achieve greater coordination between the three Funds, Mr Provan stresses the agricultural development programmes. He stresses the need to move towards framework programmes so that regional initiatives and responsibilities are placed more in the foreground.

Finally, Mr Vitale stresses on several occasions the need to assess the programmes and the moves in the light not only of the benefits which processing and marketing undertakings can derive from them, but above all of the benefits which farmers must derive from them.

The three rapporteurs agree on the need to differentiate aid between regions and farmers to take account of requirements and to establish priorities. In short, the Socialist Group supports the main aspects of these three reports, and I hope they will be widely supported by Parliament in the next hour. I would like to think that the Council will decide very quickly to simplify the procedures, to make them more flexible and to allow for differences, so that the inequalities among farmers in the Community can be reduced.

(Applause from the Socialist Group)

Mr Früh (PPE). — *(DE)* Madam President, ladies and gentlemen, this is an important and decisive moment for European agricultural policy, since the Council's decisions have placed many necessary demands on European agriculture. It is all the more urgent and necessary for European agricultural policy as a whole to be adapted to the new conditions. In this respect the changes in structural policy, as stressed by Mr Bocklet, the rapporteur, to whom I extend my warmest thanks, are a necessary and indispensable instrument for helping in the adaptation of agricultural policy.

We always criticized the previous structural policy, which was mainly geared to increasing production but which also forced farmers to keep abreast of the non-agricultural income threshold and to achieve a volume of production which ultimately forced many of them either to expand or to disappear. It was certainly not the right policy for strengthening the rural regions and providing jobs.

We therefore welcome this proposal that from now on support and aid is to be available not only to those who achieve, or rather must achieve, a certain income — because if they fail to do so, they have hitherto

Früh

been excluded from aid — and we are convinced that the correct approach has now been adopted. I need not elaborate on how this affects certain regions, since that has already been done by our rapporteur.

I also wish to give my opinion on a second and, it seems to me, very important and decisive regulation, whereby fundamental and increasing importance is attached to the organization and particularly the improvement of the market structure. If it is true that, for financial reasons and because the increase in the Member States' financial contributions to the EEC cannot be achieved immediately, agriculture is faced with an extremely difficult income situation, our efforts must be directed towards making sure that as much as possible of the price paid for food by the consumer finds its way back to farmers. For this reason it is without doubt important to rationalize as far as possible not only the production of food by farmers but above all its collection, distribution and processing and also to give agriculture considerable influence on the market process, so that we can reverse the present unfortunate trend whereby an ever smaller proportion of the consumer price goes to agriculture — for most products it is far below 50 %, so that the consumer very often thinks that agricultural prices are rising, whereas production prices are actually falling.

I could quote practical examples. It is dreadful — and I have seen this in practice — that, for example, in countries which — and I will not mention any names — are very definitely fruit-growing countries ...

(Interruption by Mr Dalsass: 'Wurtemberg')

... — no, I am referring to a country south of the Alps, Mr Dalsass — it is dreadful that you can hunt for hours for fresh fruit and not find any. But if you do manage to find some, you have to pay astronomical prices for five or six apples. I wonder how much of these astronomical prices of several thousand lire for five apples actually goes to the producer. This is the problem which is increasingly worrying our agricultural producers as well! They rationalize production and increase quality, but they have not got the power to change anything in the market structure by penetrating it right down to producer level.

I should therefore like to appeal to the Commission and I can see a few familiar faces who might not be averse to firm action when it comes to strengthening the market structure and when proposals for doing so are put forward. I know that the resources are often inadequate, but farming circles are, for example, shocked that it is in such critical times that there are cuts in EAGGF 'Guidance' funds and market structure aid for cooperatives, agricultural trade, etc.

What we want is a balanced structure. To put it briefly, I call on you to make sure that this new Regu-

lation No 355 is a good market-oriented instrument so that the producers in their production associations, cooperatives and the like remain a decisive market factor and so that the difficult situation regarding prices, which must not be allowed to rise further, is improved by a larger proportion of the consumer price going back to farmers.

(Applause)

Mr Johnson (ED). — Madam President, ladies and gentlemen, I have put down the amendments standing in my name, not because I want to turn the Agricultural Fund into an Environment Fund but because I want to make it absolutely clear that we need to take an integrated view of rural development. It is not good enough for Mr Bocklet and Mr Provan to say that this is agricultural money which is to be spent for agricultural purposes. It is Community money which is to be spent for Community purposes, whatever these may be.

Today, the common agricultural policy and Community farmers are under increasing attack — apart from the financial consequences there is the horrendous cost of storing and disposing of surpluses — because more and more people see the damage that farming, especially certain kinds of intensive farming, is doing to the environment e.g. the destruction of hedgerows, the draining of wetlands, the loss of fauna and flora and the spread of monoculture. These are just some examples of developments well known to all of us.

In my own country, the Ministry of Agriculture and Fisheries has persistently argued that it has no power to spend money for agriculture purposes from the EAGGF on environmental projects, even when these are an integral part of agricultural schemes, because, so it maintains, EEC rules do not allow this. The Commission has said they are wrong. Mr Roy Jenkins, when he was President of the Commission, said they were wrong, but still the Ministry of Agriculture take this view.

Mr President, we have to make it clear to officials everywhere that those who wish to see the CAP retained must modify it to make it clear that agriculture is the friend of conservation.

Mrs Elaine Kellett-Bowman (ED). — Madam President, my friend was not speaking on behalf of the Group. He was speaking as an individual — perfectly properly — but, nevertheless, not on behalf of the Group.

Mr Johnson (ED). — How do you know I am not speaking on behalf of the Group?

(Laughter)

President. — Thank you for this information, Mrs Kellett-Bowman. I take note of it.

Mr Goerens (L). — (*FR*) Madam President, ladies and gentlemen, contrary to the belief, which is unfortunately still widespread, that the existing socio-structural directives represent progress for European agriculture, I would like to emphasize that they do in fact threaten the development of agricultural exports.

Of course, some people may consider that the overall results of the implementation of the structural directives are positive. Let us consider, for example, the case of the Netherlands, which has, it is true, benefitted more from this policy. But this case is only representative of a country which has always been able to make the best use of its agricultural assets, even without the European Community. It is not representative of Italian agriculture, just to cite the opposite extreme.

The adoption of the socio-structural directives dealt with in this report by Mr Bocklet — which, I must stress, is an excellent report — is therefore perfectly justified. His report is a plea for a new structural policy which will give agricultural exports new prospects. If the motion contained in the report on the Commission proposal for a regulation on the efficiency of agricultural structures is kept in its present form, it deserves the support of this Parliament.

Let me then stress the fact that a new structural policy cannot significantly reduce the market imbalances which currently affect certain Community products, and Mr Bocklet has stressed this in his report also. We must emphasize that it is not structural policy alone that determines what happens to agricultural production, but that the opposite is the case. Within the common agricultural policy it is necessary to take action to influence all factors which may effect the balance or imbalance of the agricultural markets. In this respect, I regret that at the very outset the Council abandoned a new trade strategy, which was supported by the majority in this Parliament at the time of the vote on taxation on fats and oils.

Madam President, in view of the remarks I have just made, the Liberal Group will support this report.

Mr Rivierez (DEP). — (*FR*) Although the various existing regulations and directives on structures reveal certain imperfections, they have, on the whole, been positive. But it is obvious that improvements had to be made to this aspect of agriculture. The Commission has tried to do so in its proposals which are the subject of our debate today.

As we know, the aim of these new proposals is basically to encourage technical progress, increased competitiveness in farming through productive investments, better use of production factors, better information and training for farmers, and the development of structures in the sectors which process and market agricultural products. All this is very praiseworthy.

However, after reading the proposals more carefully, one discovers that they hide budgetary concerns, a

thing which my Group refuses to accept. Some of the new Commission proposals are, in fact, directly connected in more than one way with milk surpluses. Thus, from now on, Community aid will no longer be granted for programmes which could involve milk production increases. The result will be that serious repercussions will be felt in some regions of the Community inhabited by small-scale farmers where an alternative to milk production is extremely hard to find, and maybe does not exist at all. Small-scale dairy farmers in the less-favoured regions of the Community will not understand why they are being advised to grow trees. The DEP Group has always, for that matter, placed the blame for milk surpluses on the culprits only. We are doing so again today with regard to agricultural structures. Nevertheless, we must recognize that there are many improvements in the new proposals. We all desired these new proposals, and amongst them there are a number of my Group's demands. We are very pleased about this.

Finally, a short sentence of the Commission has caught my attention. It states that in order for the objectives of Article 39 of the Treaty to be achieved, there must be cooperation and consistency between agricultural structure policy and pricing and marketing policy. The Group of European Progressive Democrats fully agrees with this point of view. Nevertheless, we are convinced that it is necessary to be extremely wary, because is the Commission not trying to amalgamate farm prices, which are the only income of farmers, and structural measures by justifying what the Commission modestly calls 'restrictive prices' but which are in fact no price increases at all? Does the Commission hope in this way to cut even further compulsory expenditure under the Guarantee Section of the EAGGF? Whatever the circumstances, the Group of European Progressive Democrats will not accept it in the interest of our farmers, and we will make sure that this does not happen in practice.

Mr Gautier (S). — (*DE*) Madam President, ladies and gentlemen, the previous policy on agricultural structures was relatively difficult for two reasons. Firstly, the European Community has always attached far too much importance to measures intended for the agricultural market and far too little importance to measures intended for agricultural structures, and secondly, there was no coherence between agricultural market policy and agricultural structure policy.

We managed on the one hand to give aid for purchasing dairy cows and on the other hand to grant slaughtering premiums, just as in the dairy sector we granted guarantees while at the same time carrying out investments. The Socialist Group considers the Commission's new proposals for structural policy to be, as my colleague Bernard Thureau said, a small advance, but I do not think it means that the real turning point, as it is called in Germany at the moment, has been reached.

Gautier

This brings me to my second point. If we want to carry out agricultural structure policy, we need the resources to do so. But we all know that the European Community is facing financial collapse, and I am already prepared to bet that the Council of Ministers will soon be presenting us with a supplementary budget in which it reduces the appropriations for structural reform in agriculture so that it can finance the reduction of the butter mountains.

This is where Parliament must say to Mr Dalsager and the Council of Ministers that we want none of it. We are convinced that the agricultural structure policy is a fundamental instrument of agricultural policy and must not be financially restricted.

The third point I should like to raise is the question of the aid threshold. I am pleased to see that the political groups agree on this. So far the aid thresholds have, as we have seen, led to a situation in which most of the funds for single-farm aid have gone to farms which have been able to achieve comparable incomes and in many cases could have done without aid. Many farms, for example in Bavaria or Baden-Württemberg, have been unable to obtain single-farm aid because they could not achieve the aid thresholds. At the same time we Socialists support the introduction of prosperity thresholds.

And now for my last point. Mr Bocklet said a short while ago that the EAGGF Guidance Section should not be transformed into an environmental fund. Mr Bocklet, this strikes me as another example of typical Christian-Democratic ignorance. The problems are clear for all to see: we must try to integrate our agricultural structure policy with our ideas on environmental policy, i.e. to incorporate into it environmental measures relating, for example, to the energy sector or even to sewage disposal. My Group will therefore support in the main the amendments by Mr Collins and Mr Johnson, which seek to make this clear in the directive. We must reject the suggestion, Mr Bocklet, that the agricultural structure fund is to be turned into an environmental fund.

I should like to conclude by raising a point which we consider important for social reasons as well, namely that under the agricultural structure policy certain aids can be made available when the farmers want to go on holiday with their families. Admittedly this is only a minor aspect, but it is important. We want this aid to be used to promote a replacement service for farmers. We are also in favour of measures providing for Community action to support machine-sharing schemes.

We support the three reports before us and would like to say a lot more about them, but as usual in this Parliament, we have not enough time left to do so.

(Applause)

Mr Dalsass (PPE). — *(DE)* Madam President, I have not much time to give my views on these subjects. For a few years now the Christian Democrats have taken the view that the aid threshold must be removed because we knew that it would not be good to carry on in this direction. The rapporteur has told us that we are now working in this direction, and I should like to make a few comments on the subject.

There are three reports before us. As regards the general report, I think that the aid threshold must be abolished so that we do not boost production unnecessarily and so that we can also take account of smaller farms. Next I should like to deal with EEC Directive No 268 on hill farming. This Directive has borne fruit, and I must admit that it has meant considerable support for hill farmers. Perhaps this hill farming Directive should be given a better financial basis. You have just said, Mr Gautier, that it needs a better financial basis so that more aid can be given. I should like, however to stress that the limited funds available ought to be used for improving structures and not, for example, for agriculture and environmental protection alone. They should benefit hill farms and not be used, for example, for environmental protection alone.

I think that is what we should aim at and work towards.

In my country practically all hill farms produce milk. I am surprised that the quota arrangements for milk production do not include special provisions for these areas. They have all been lumped together. There is an old saying that there is nothing more unjust than treating two completely different things in the same way, and this is what has happened here. And so I should like the farms in these hill and mountain areas at least to be rather better catered for and given greater support so that they can earn rather more via the marketing of the products. The reduction in farm incomes in the hill and mountain areas is even greater than in the rest of agriculture, and practical measures are called for.

Recently we voted for a provisional extension to the end of June 1984 of Regulation 355 on the setting up of structures and the marketing of agricultural products. According to the Commission's proposal, structural aid for the dairy sector — with the exception of hill and mountain areas — is to be discontinued. And now I am most astonished to see that the Commission has also discontinued aid to farms in hill and mountain areas.

On a proposal from the Commission Parliament has stated that this Regulation can be extended to the end of June, but dairy farms in hill and mountain areas should continue to receive aid. Until a few years ago communications in such areas were inadequate, and so it was impossible to give them aid. Now communications are reasonable, so something could be done to improve the structures. I think it would be only fair to

Dalsass

do so now. We want to revise these structural directives and Regulation 355, we should also try to ensure that the money actually goes to where it is urgently needed, i.e. to the smaller farms and family farms, and mainly to hill and mountain areas.

I therefore welcome this measure, I congratulate the rapporteurs on these reports and hope that these measures will soon be implemented so that these farmers can at least be helped via the structures. We need not expect anything from prices this year, but I hope that next year we shall be able to pursue a rather more active policy on prices.

(Applause)

Mr Adamou (COM). — *(GR)* Madam President, each year the increase in the prices of Community agricultural products is consistently lower than the cost of production incurred by the Greek farmers, with the result that their income has been declining from year to year. This happens because the Commission, when determining the prices, bases its decisions on the cost of production in the developed countries of the North, because it implements the principle of uniform prices and basically ignores the special circumstances of the individual Member States, in particular Greece, whose agricultural sector has major structural weaknesses. The consequences for our country are serious because the agricultural sector is equivalent to almost one third of the entire Greek economy. In the meantime the Commission has shown scant regard for the principle of Community preference. Thus, while the Greek agricultural products remain unsold and have to be buried in hundreds of thousands of tonnes, the markets of other Community Member States and indeed of Greece itself are glutted by similar products from third countries, such as oranges, raisins, apricots, apples, peaches and especially livestock products. The only point I gleaned from Mr Dalsager's statements is that the decisions taken by the Ministers of Agriculture and the Commission will lower farmers' incomes yet further both this year and in future years, while the profits of the monopolies will swell as they do each year.

It seems that the socialist philosophy of Mr Rocard, the President of the Council of Agricultural Ministers, dominated the decisions on prices and on the restructuring of the community agricultural policy. This philosophy, as expressed here by Mr Rocard last month, reminds me very much of the dogma of the prophet Mohammed, with his promises to the poor and hungry faithful that, when they die, they will live happily in the next world. The Commission and the Council of Ministers is promising the same thing to the Community farmers, especially to the small farmers in the Mediterranean countries who have their backs to the wall. We are certain that the farmers will not bow their heads. They will defend their toil with all the means at their disposal.

Mr Vgenopoulos (S). — *(GR)* Mr President, the conclusion that emerges from the interventions of my colleagues is that we all agree that the new departure in European agriculture calls for a dynamic structural policy based on the criteria demanded by our times. I am glad to see that the maintenance of employment in the countryside, the improvement of the living and working conditions of farmers in the disadvantaged areas and the measures to encourage the establishment of young farmers constitute objectives of the structural policy. Unfortunately, the structural policy which has been implemented up to now in the agricultural sector — with its deification of productivity increases — not only failed to reduce regional imbalances within the Community, but jeopardized the very existence of the small producers, because it worked in favour of the already developed regions and the farmers who were in a position to implement development programmes.

In consequence the benefits accrue to the more favoured partners. For example, in 1982 Holland drew approximately 120 ECUs from the EAGGF per person employed in agriculture, whereas Greece got only 26 ECUs. After all it is common knowledge that the needs of Greek agriculture in the structural field are many times greater than those of Holland.

I think that the first step should be to double the appropriations. We cannot expect tangible results with the meagre sums we are obtaining at present.

Coming now to the Commission's proposals for regulations I must say that broadly speaking I agree. I welcome the fact that the Directives now more resemble regulations and I welcome the flexibility proposed as regards the implementation of the structural policy. I think that the differentiation in measures and assistance which is being called for in respect of the various disadvantaged areas is an essential prerequisite if we are to help those whose need is greatest. Besides, this is underpinned by the Commission's view that the different causes of the structural problems in agriculture call for a variety of solutions and, in particular, flexibility in implementing the regulations. I will mention a simple fact so as to convince you. The Community of the Ten has a surplus of dairy products. Greece has a large deficit and imports of dairy products from the Community represent 25 % of its total agricultural imports.

It is also certain that Greece will continue to import dairy products because its agriculture is largely geared to crop products. However, it cannot satisfy the demand for fresh milk because of the great distance between Greece and the main milk-producing countries of the Community. Accordingly, Greece must increase its production of fresh milk. Thus you can see that here there is no other solution. It is necessary to allow an exemption from the regulation which prohibits increases in the production of products in which there is a Community surplus.

Vgenopoulos

To conclude, Mr President, I would like to say that this is the philosophy behind the structural policy — to help the disadvantaged regions which are facing special problems. These problems are neither regional nor national. They are Community problems because they concern the homogeneity and balanced development of the Community. Accordingly, by implementing a proper and just structural policy the Community will have made a major step in the direction of genuine cohesion and solidarity.

Mr Kaloyannis (PPE). — *(GR)* Madam President, the members of my Group have expressed their opinions on the reports under discussion and I agree with what they have said. I would like to confine my comments to the Provan report, which concerns the disadvantaged regions and is thus of interest to my country, Greece.

I admit that the Commission's proposal is positive and I also agree with the Provan report, especially after the amendments introduced by the Committee on Agriculture and the associated motion for a resolution, which I intend to vote for along with all the other resolutions. In my view the most positive points of the Provan report are the following :

the steps taken to ensure the success of the measures, with particular reference to the amendment of Directive 268/1975 and the approval of the experimental integrated development programmes which the Commission has already begun to implement in certain States ;

the adoption of the principle that these two new measures will envisage aid for naturally disadvantaged areas and the principle that special aid be given to less favoured regions, in accordance with requirements to be defined with criteria at Community level ;

the proposal to help livestock keeping in mountain areas and to offset natural disadvantages in the form of compensatory payments or special provisions in applying existing structural measures concerning employment in the regions ;

the importance attached to the development of industry and small business ;

the understanding that it will be possible to treat as less-favoured areas small areas with specific handicaps ;

the awareness that there is a need to extend the agricultural development programmes which are being implemented in Ireland and Italy to other disadvantaged areas in the Community ;

the recommendation that the actions envisaged in the proposal for a regulation be coordinated with the aid provided by the European Regional Development Fund ;

the recommendation that all the less-favoured areas be classified as eligible for Regional Development Fund grants ;

the criteria — at Community level — for defining the severely disadvantaged areas, such as low income, serious decline in population, distance from major centres, state and cost of maintenance of the transport network, etc. Finally, I would like to stress that I fully support these measures in view of the special circumstances which apply to my country.

(Applause)

Mrs Castle (S). — Madam President, it is absurd that in this crowded week so little time should have been devoted to agriculture which is at the heart of the crisis facing the European Community. Here we are, gabbling through our speeches without any opportunity of really developing the relationship between different policies. It is, for example, impossible to discuss structural policy except in the context of the wider policies we are developing over the CAP.

Certainly, it makes sense to help the smaller farmer to get better working conditions and to modernize his farm, but it does not make sense to encourage farmers to rip up new areas of our countryside to produce food that we cannot begin to consume. Indeed, there are two principles on which any reform of the common agricultural policy should be based. The first is that we should produce food in order to eat it and not to stockpile it ; the second is that we should bear in mind the need to preserve the beauties of our countryside, and that is why I attach such importance to the amendments put forward by my colleague, Mr Collins, to the Bocklet report. I hope Mr Dalsager will tell us he supports them too, because without those amendments some of us could not support this form of structural policy which has been put before us today — indeed, Mr Dalsager himself, in his remarks, appreciated this point when he said to us that the aim of a real structural policy must be to provide alternative employment outside agriculture.

I would like to congratulate him on most of his speech, that is, all except the opening few paragraphs because all I can say to him is that they were contradictory with the rest of it. If he can be pleased with the agreement that was reached by the Council of Agricultural Ministers the other day, then he can indeed be satisfied with anything. But he himself knows perfectly well — and the rest of his speech showed it — that that agreement in the Council of Agricultural Ministers left all the real problems of the CAP unsolved. He knows that that agreement has left the Commission's own production targets exceeded once again this year. He told us that at the end of this year we shall have one million tonnes of surplus butter in stock. He told us that the beef problems would be deepening because consumption is dropping as a result of high prices, and Mr Curry, chairman of the Committee on Agriculture, said that we are merely moving the problem from one sector to another and that the cereals problem will be growing all the time.

Castle

And he knows too, Mr Dalsager, that the Commission's financial targets for the agricultural budget this year have been exceeded. Far from curing the overspending in agriculture, the total deficit in the agricultural budget at the end of this year will be some two billion pounds sterling.

Now, Mr Dalsager and Mr Curry say this is only the beginning. Oh, they say, changes must be realistic and therefore they must come gradually, but I say these are the wrong changes and they are coming too late. The real answer is to get realistic prices across the whole field of agriculture, and Mr Dalsager knows that perfectly well. As he said, pricing must take more account of the market.

Now for the last four years the British Labour Members of this Parliament have been pleading for realistic pricing to be phased in gradually. Mr Dalsager says, 'Oh, if you are to cure the surpluses by realistic pricing you would need a cut of 12% in prices and you cannot do that overnight'. Look, it is year after year after year that we have been calling for a price freeze on goods in surplus.

If that had been accepted three years ago — and let me tell you that quotas will solve nothing — then we could have got prices down at the rate of a 4% cut a year which, with the help of direct aids would have been manageable.

What has happened? This Parliament had better wake up to its own crimes. Everybody had better wake up to their own crimes. In 1982 the Commission asked for price increases of, I seem to remember, not more than 5%. What did this Parliament ask for? Price increases of 14% and more. And what did the Council of Ministers, including Britain's own Minister for Agriculture, agree? Price increases of 9% in 1982. No wonder we are now in a budgetary crisis and a crisis of overproduction. We say that quotas will solve nothing. Some day this Parliament will have to recognize that realistic pricing across the board is the only answer and that we, who have been urging this over the years, were right.

Mr Dalsager, Member of the Commission. — (DA) Madam President, first of all I would like to thank Mr Bocklet and the Committee on Agriculture for the report on the Commission's proposal to improve the efficiency of agricultural structures. I welcome the fact that this report largely supports the Commission's position both on the general approach and on the details. I will come back later in greater detail to the points where Mr Bocklet was not completely in agreement with the Commission, but first I would like to comment on the Commission's proposal. In considering the Community's future policy on agricultural structures the Commission took account first of all of agricultural structural requirements today and over the next 10 years, and secondly of experience gained with

the present policy since it was introduced in the beginning of the 1970s. A change in the rules for aid to investments in agricultural holdings has proved necessary. Under the present conditions it is necessary to give far more categories of farmers access to Community aid. For this reason we have proposed that all those farmers who have not already reached a satisfactory income level, should now be enabled to do so with the help of Community-assisted measures to improve their farm structures and agricultural incomes. In other words we are attempting, with the proposed system for farm improvement schemes, to conserve jobs in agriculture and to improve incomes and living standards, especially for family holdings in the lower income bracket. For this reason we no longer require the farmer to prove that he is in a position to reach the comparable income level, since in the past this condition prevented many farmers from receiving Community aid. This therefore is the first main feature of our proposal.

However, it contains another important element, namely the establishment of a close connection between structural policy and market policy. Depending on the particular type of production involved, it may be necessary to adopt measures as regards markets and/or structures.

Mr Bocklet supports the Commission's proposal in these two important areas, namely greater flexibility in the allocation of investment aid and a closer connection with market policy.

In addition to these more fundamental points we have proposed a series of measures which will help to improve farmers' living and working conditions, e.g. the creation of substitute services, better cooperation between farmers and assistance to encourage the keeping of accounts. We have also proposed special measures to help young farmers to set up in agriculture, measures to encourage forestry on agricultural land, and improvements in the training of farmers. On all these points the report strongly supports the Commission's viewpoint. In addition I would like to draw attention to the fact that we have proposed outline provisions whereby in future special measures may be introduced to solve specific structural problems not only in the less favoured areas but also in other areas of the Community, should the need arise.

I would like to comment on some points in Mr Bocklet's report. I note that Mr Bocklet agrees with the need to fix an upper income limit for eligibility for Community investment aid. However we do not agree on the criteria for fixing this ceiling.

The Commission thinks that the upper limit should have a structural basis. We also consider it important to fix an upper limit for the income level which must be reached on conclusion of the plan.

Dalsager

Mr Bocklet has proposed that part-time farmers should be considered on an equal footing with full-time farmers. The Commission cannot support this proposal. Investment aid should be increased for real full-time farmers, that is farmers who spend more than 50% of their time on the farm, and who get at least 50% of their income from farming. It is not reasonable to extend Community investment aid to persons whose main income is derived from a non-farming activity.

As regards the procedure for fixing the list of surplus products for which aid will be restricted, the Commission abides by the opinion that this question should be dealt with by the Commission in consultation with the special standing committee on agricultural structures, as the best method of ensuring that the structural policy is implemented effectively.

The special upper limits of 40 cows and 550 pigs for investment for aid for dairy and pig farming are the absolute limits as regards aid to increase production. In the case of rationalization, we do not think it necessary to fix specific limits, because by definition such aid does not aggravate the market situation.

On the question of support for the egg and poultrymeat sector, let me say that the total ban proposed by the Commission is nothing new, but merely a continuation of present policy. The Commission considers it correct to maintain this ban in view of the special structures of the egg and poultrymeat sector.

As regards young farmers let me point out that the figure of 64 000 in the financial survey annexed to our report is just an estimate. Of course there is nobody who can say in advance what the figure is and if it is exceeded in practice I shall certainly have no objections.

As regards Directive 160/72 on the cessation of agricultural activities the Commission is of the opinion that, in view of the experience we have had of its application to date, it is not appropriate to continue to apply it as a horizontal measure. Instead we have proposed that it should be implemented, in improved form, as part of the integrated Mediterranean programmes, in other words in those areas where the need for such a measure is greatest.

Finally I would like to mention briefly the reimbursement procedures.

The Commission proposes the principle which has been applied to date, namely that expenses be refunded after they have been paid. That is what is meant by reimbursement.

I have found it necessary to give an account of the Commission's views on those points where there is some lack of agreement between the Commission's proposals and the report, in order to explain why we think it right not to adopt the proposed amendments. Having said this, I would like to repeat that we regard

this report as a very important endorsement of the Community's policy in this field.

I come now to Mr Provan's report which deals with Directive No 75/268, the Commission's proposal on special measures on less favoured agricultural areas. The proposal is based on the good results we have had in applying this directive. Since it entered into force, 56.8% of the funds paid out by the EAGGF in connection with the four structural directives have been used to implement Directive No 268 of 1975. In 1981, 671 923 farmers received compensatory payments, corresponding to 13% of all holdings, with 9.1 million livestock. At the present time 43.3% of the Community's agricultural area is classified as less favoured areas.

Concerning the amendments proposed by the Committee on Agriculture I would like to emphasize that the provisions in Article 18 (2) of the Commission's proposal serve as a guide and do not constitute an exhaustive list. Paragraph 2 starts with the words: 'Such measures may include ...'. So I can see no reason for amending the Commission's proposal. The proposal on special measures based on Article 18, which will be presented to Parliament later, aims at removing the most acute structural problems in the areas concerned.

An improvement in housing conditions is imperative in certain regions, and for this reason the Commission does not wish to restrict this to encompass drainage only. Furthermore in view of total expenditure in connection with this Commission proposal and the present system of classifying less favoured areas pursuant to Article 3 of Directive 75/268, which has been applied in practice for many years, it does not seem appropriate to subdivide the existing less favoured areas classified pursuant to Article 3 (3) of Directive 75/268 into different less favoured areas or, as is proposed, to make a differentiation in apportioning funds from the EAGGF.

The main objective of the Commission's proposal is to give financial aid in order to reduce investment costs. For this reason the environment will be best protected by planning investments in such a way as to avoid a negative effect and this is exactly what the Commission's proposal aims at doing. On the other hand we fully share the views behind a number of the proposed amendments and we believe that it is possible to comply with these wishes on the basis of the existing text, or that it is better to let the Member States themselves find the optimal solutions to local and specific problems. For this reason Article 13 (3) provides for special provisions regarding State aid. In the light of my remarks on the various amendments proposed in Mr Provan's report, I would like to call on Parliament to approve the Commission's proposal without amendments.

Dalsager

Finally, Madam President, I come to the third of the reports on the agenda. This is Mr Vitale's report on the amendment of Regulation No 355/77. The Commission expresses its thanks for the report and agrees with the majority of the proposed amendments. In particular it is worth mentioning that the report considers not only the Commission's proposal to reintroduce common measures, but also the majority of the proposed innovations.

Under the Commission proposal the introduction of new programmes will concentrate on new products, new technology and on programmes which can strengthen specific Community measures to promote the Community's less favoured areas. Furthermore it is proposed to extend the regulation to include forestry and financial assistance in connection with projects related to reaping machines, energy saving and pilot projects. Finally the Commission proposes doubling the resources made available under this regulation. The report's positive attitude to our proposal seems all the more reasonable in the light of the significant success achieved by Regulation No 355/77. In the seven years since it came into force, over 150 special programmes have been approved and the Commission has committed itself to financing over 3 000 individual projects. The total amount involved is some 815 million ECU.

On behalf of the Commission I regret, however, that I am unable to accept paragraph 15 of the report regarding the revision of the project costs at the time when the work is carried out. The deadline of one year laid down in the regulation for the commencement of work is specifically intended to avoid a great difference between the estimated and actual costs of carrying out projects. Since the funds available under the regulation are limited the fund must decide on the aid to be granted at the time the projects are selected. For this reason it is difficult to revise aid which has already been allocated.

Mr Provan (ED), rapporteur. — Madam President, may I ask the Commissioner a question? There is a large measure of disquiet in the agricultural sector at the present time that with the pressure on the agricultural budget there may be some move to take finance from the structural sector to finance the guarantee sector. Can the Commissioner, therefore, give us an undertaking that he will not allow the less-favoured areas to suffer through any consequential removal of finance from the structural sector?

Mr Dalsager, Member of the Commission. — (DA) It is not the Commission's intention to make proposals along the lines indicated by Mr Provan, as was stated on a previous occasion here in Parliament by the President of the Commission. It is not only the agricultural guarantee section which is involved, but also other funds which must have at their disposal certain funds made available by Parliament.

President. — The debate is closed. The vote will be taken at the next voting time.

6. Spirituous beverages

President. — The next item is the report (Doc. 1-64/84), drawn up by Mr Dalsass on behalf of the Committee on Agriculture, on the

proposal from the Commission to the Council (COM(82) 328 final — Doc. 1-508/82) for a regulation laying down general rules on the definition, description and presentation of spirituous beverages and vermouths and other wines of fresh grapes flavoured with plants or other aromatic substances.

Mr Dalsass (PPE), rapporteur. — (DE) Madam President, this proposal for a regulation laying down general rules on the definition, description and presentation of spirituous beverages and of vermouths and other wines goes back some time. It was presented by the Commission on 9 June 1982. Even before that the Commission had intended to include the harmonization of provisions on spirituous beverages and flavoured wines in its programme, thus recognizing the economic importance of this sector. Indeed, it is not to be underestimated when you consider that there are more than 62 000 people employed in 471 firms. It is a sector which, with a turnover of 6 000 million ECU and an added value of 1 350 million ECU, occupies the eleventh place among the food industries in the Community. So it was high time to think of introducing rules for this sector.

It must not be forgotten that this sector also constitutes under the common agricultural policy an important market for certain agricultural products. On average at least 1.5 million tonnes of cereal are processed every year to produce spirituous beverages, and every year this sector provides a market for 10 to 14 million hectolitres of wine.

We are accustomed to demanding certain qualities for certain spirituous beverages. We know that in the various countries great importance is attached to quality, and so this quality should not be sacrificed. There is, however, a risk of considerable variations in quality since goods must be allowed to move freely within the Community. That means that certain products might be in circulation under the same name, since not every Member State applies the same strict rules to their manufacture. A certain laxity has arisen which threatens the quality of these products. Rules therefore need to be introduced at Community level. A Community policy of this kind, geared to maintaining quality, protects not only the producer but also the consumer, a point which I should like particularly to emphasize. Both inside and outside the Community the consumer is, as I said before, accustomed to a certain level of quality which he associates

Dalsass

with certain names. Thus if a spirituous beverage has a particular name, the consumer should be able to associate it with a certain quality.

We are also keen to see — and this regulation contains specific rules governing this — that certain spirituous beverages must have a minimum alcohol content. There is also provision for geographic details to be given for certain such beverages. In this case it is obviously necessary for the geographic origin of the basic products to be guaranteed and sometimes also for a certain production process to be associated with it. In this way quality is guaranteed.

As regards the use of certain raw materials, we are also anxious to make sure that a maximum alcoholic strength is laid down for distillation since if this is exceeded, the taste of the basic product might be indistinguishable, which might deceive the consumer.

These are just a few points from my report which I wanted to raise. I hope that this report, which was adopted by the Committee on Agriculture by a large majority and without substantial amendments, will also be adopted by the European Parliament. It would mean considerable progress in this area.

(Applause from the Centre)

IN THE CHAIR : LADY ELLES*Vice-President*

Mr Provan (ED). — Madam President, it is not often that this Parliament can come forward with a report that is going to be to the ultimate benefit of the consumer as well as the producer, and I congratulate the rapporteur for all the work that he has done on this very detailed subject. It is highly significant that one of the problems is that many of the spirituous beverages that are produced in the Community today can be tampered with, and the ultimate purchaser — the consumer — does not have any guarantee as to what strength of product he or she is actually buying.

In summing up the situation Mr Dalsass quite correctly makes a very major point in his report when he says that a product should be recognizable every day as to its strength, content and traditional way of manufacture. He has extended the Commission's proposals by including other spirituous beverages within the Community, and therefore I will be happy to support, and my group will be supporting, the proposals that he has brought forward before us today.

It is vitally important that our export industries — and many of our products within the Community — be recognized as being of the highest standard possible. If the Community and this Parliament today recognize the Commission's proposals and endorse them, they will, in fact, become world standards and not only Community standards.

I represent a part of the world that is highly dependent on whisky as its main export earner. I am delighted to be able to drink a toast to the rapporteur and hope that this product — and I have inspected the bottle — will be maintained to the traditional standards that have made it the high quality product that we have produced in Scotland for many generations. Rapporteur, every success!

(Mr Provan raised his glass of whisky in a toast to the rapporteur)

(Applause)

Mr Sablé (L). — *(FR)* Madam President, ladies and gentlemen, in this debate on Mr Dalsass's excellent report on spirituous beverages I would like to draw Parliament's attention to the definition of rum, which affects not only the French Overseas Departments, as we are led to believe, but all countries where rum is a basic product, as well as producers and consumers of spirits in the Community.

The frequency with which motions for resolutions put at the same time before the European Parliament and the ACP-EEC Consultative Assembly reveals that international trade is impatient to penetrate a field which has a potential market of about 500 000 hectolitres of alcohol. All these proposals aim to do away with the safeguard clauses which past experience has shown to be essential to the balance of trade. They arrogantly ignore Articles 39, 40 and 227 of the Treaty of Rome and the judgements of the Court of Justice confirming the integration of the Overseas Departments, which are classified among the peripheral and less-favoured regions of the Community. They ask for a repeal of Protocol No 5 of the Lomé Convention, the conversion of drinkable rum into industrial alcohol and, consequently, free access to the common market without tariff barriers or health restrictions. They promote the withdrawal of the organoleptic properties which give this spirituous beverage its quality and taste, so as to encourage large-scale imports of rum and tafia without origin control, and the production of rum in countries where sugar cane is not grown but where rum is produced with molasses which have been bought cheaply on the world market, for example from Cuba, Porto Rico, Venezuela or Southern Africa. The authors of the amendments did not lack imagination. According to the draft report all alcohol, whether of agricultural, industrial or synthetic origin and classified as rum because several grammes of sugar cane molasses from all over the world had been added to it, could be sold freely in the Community. But if Amendment No 6 is adopted, only French rums, which are already subject to quota restrictions imposed by national law, would be rejected in Annex II. So, in this restrictive definition, the produce of the overseas Departments, which is of high quality but is for everyday consumption, could obviously not withstand a substantial influx of competitive products.

Sablé

In the days of the colonies and pirates, the French islands were as capable as the English ones of supplying their respective mother countries with the amount of alcohol they needed, and even up to 1914-18 for the production of explosives and weapons.

If this type of production and trade is authorized, the Overseas Departments must be put on an equal footing with the Commonwealth producers, or other Community countries, in international competition on the market for alcoholic beverages. In fact, in spite of serious efforts at improving quality and advertising, consumption in France has now dropped to some 80 000 hectolitres, while the ceiling of the quota restrictions remains mysteriously fixed at 204 000, as it was in 1924.

I also notice that the definitions of the various spirituous beverages have respected the geographical origins, the methods of production and the marketing methods which give them individual characteristics. Ouzo will not be produced in Scotland, nor whisky or Irish cream in Germany, nor grappa in the Grand-Duchy. But — and that's justice, gentlemen — France, as the only country producing rum in the Community, is paradoxically the only one whose national definition is not included in the Community's organization of the market. The Court of Justice in Luxembourg should make a decision on this case.

French rum production, which is European by virtue of the Treaty of Rome, therefore risks being rejected from the common market through rulings which open the doors wide to foreign competition.

Thus the world molasses surplus which until now ended up on the rubbish dump, is going to be upgraded to the detriment of the Community's producers. The ACP-EEC Joint Committee, at a meeting in Kingston in February 1983, denied this risk when I asked about it.

Moreover, certain oil companies, taking advantage of the lax legal descriptions, are preparing to convert synthetic alcohol, which is an industrial product, into alcohol for human consumption by adding a few aromatic substances.

Ladies and gentlemen, the Community is faced with a choice concerning the present and the future. Firstly, either the Community enacts regulations which ensure economic and social development in its less-favoured regions, and the signatories to the Lomé Convention demand that rum be produced in the same place as sugar cane is grown, so as to preserve this basic crop, which will revive the agriculture of places where the crop is about to stop being grown, from the Caribbean to the Indian Ocean (in fact, it was the Commission which put forward this proposal, and I have taken it up myself in the amendment I

have tabled); or secondly, rum can be produced anywhere, even in European ports, by multinational companies which buy molasses cheaply, and this would result in the complete disappearance of the sugar cane crop in the Overseas Departments, as well as in the ACP countries, which in turn would lead to increased unemployment and public debt.

In conclusion, ladies and gentlemen, I ask you to adopt my amendment and accordingly to reject Amendment No 6, and I request fresh consultations between all the professionals concerned, both from the Continent and from the Overseas Departments. In fact, I do not wish to see the band of the least-favoured countries at the doors of Europe grow as they come to claim new budget appropriations for the fight against poverty and hunger in the world.

(Applause from the right)

Mr Dalsager, Member of the Commission. — (DA) Madam President, I welcome the fact that the Committee on Agriculture has approved the Commission's proposal on the definition, description and presentation of spirituous beverages and of vermouths and other wines flavoured with aromatic substances. I have no objections to most of the proposed amendments. They undoubtedly represent an improvement in the text, and I take this opportunity of thanking the rapporteur, Mr Dalsass, for his excellent work.

However, an important problem remains regarding Annex II. The Committee on Agriculture has proposed adding numerous beverages to the already long list of beverages, the description of which includes a geographical designation. I think it is necessary to outline once again here the principles on which this list is based. An alcoholic beverage should only be entered on this list insofar as its local designation informs consumers correctly of the characteristic origin of the raw materials used and the specific local manufacturing processes. This is an appropriate means of protecting producers against unfair competition and consumers against imitations and adulteration. By conceding exclusive rights to the producers concerned, the Community provisions ensure that the designations in question preserve their character of a description of origin and thereby prevent them also from becoming common property or even common nouns. The Commission reserves the right to investigate case for case whether the beverages proposed for listing in the annex also fulfil both these requirements.

Madam President, once again let me thank Mr Dalsass for his report, which satisfies the Commission's wishes regarding the treatment of this question.

President. — The debate is closed.

The vote will be taken at the next voting time.

7. Sheepmeat

President. — The next item is the report (Doc. 1-58/84), by Mr Eyraud, on behalf of the Committee on Agriculture, on the common organization of the market in sheepmeat.

Mr Provan (ED). — On a point of order, Madam President, as you will be aware, this Parliament has been very flexible throughout the last month or two about the situation in regard to the development of the agricultural policy. I have a very good friend sitting across the way in Louis Eyraud, and I was very pleased to welcome him to Scotland when he was carrying out the investigation in preparation for his report. However, he will be just as well aware as I am that his report was based on Commission proposals that have now been rejected by the Council of Ministers. I would therefore submit to you, Madam President, that this report should be referred back to committee for further consideration. I would ask you to put it to the House.

Mr Eyraud (S), rapporteur. — (FR) Madam President, the Commission has produced new proposals which are contained in Doc. COM 190 final and for which they are seeking the approval of Parliament. We have to vote on the proposals on sheepmeat and on the amendment to the regulation. This means that my report also fits in with this document and should be debated. I do not think that Mr Provan's request is in order, although he is an excellent friend and I want to thank him for allowing me to meet farmers in his area when I was making my investigation.

President. — Mr Eyraud, in accordance with Rule 85 I must put this to a vote without debate. However, since Mr Provan did introduce his request with a comment, I feel that I was entitled to allow you also to make a comment. Pursuant to Rule 85(3) I now put to the vote of the House the request that the report (Doc. 1-58/84) by Mr Eyraud be referred back to committee.

Mr Dalsager, Member of the Commission. — (DA) Madam President, if there is any advice I can give, it is that, since this proposal is still on the Council's table, although a decision has been postponed, Parliament should undertake to express its opinion on the matter.

President. — Parliament has heard the Commission's comment. The debate is now closed.

(Parliament agreed to refer the report back to committee)

Mr Eyraud (S), rapporteur. — (FR) Madam President, I should like to take another couple of seconds to say something about the vote that has just been taken. I think there is going to be a problem, since Parliament is not going to be able to give its opinion on the

Commission proposals which are before the Council as a result of the vote we have just had. That is not a good thing, if you ask me.

8. Swine fever

President. — The next item is the report (Doc. 1-54/84), drawn up by Mr Eyraud on behalf of the Committee on Agriculture, on the

proposal from the Commission to the Council (Doc. 1-1362/83 — COM(83) 783 final) for a directive amending Directive 80/217/EEC introducing Community measures for the control of classical swine fever.

Mr Eyraud (S), rapporteur. — (FR) Madam President, swine fever, as its name indicates, is a zoonosis which badly hits pig farms. We should therefore adopt effective measures to fight it.

Since 1980, three Community texts have opened the way to prophylactic and animal health measures against swine fever. Two directives, one introducing the measures for control and the other laying down conditions designed to render and keep the territory of the Community free from disease. The third text is a decision introducing financial measures for the eradication of swine fever. I will not dwell on the details of application of these texts, but I must say that in the two years that the plans for the eradication of the disease have been applied, outbreaks of the disease in some regions of the Community have prevented the expected results in the elimination of the disease from being obtained.

When analysing the statements made at that time, the need to reinforce the control measures is clear, especially in some high risk areas. The aim of this proposed amendment of the 1980 directives is for complementary measures to be implemented soon in order to achieve the set goals and to keep up the results which have been obtained so far.

I will make only two suggestions: firstly, all the Member States should make vaccination obligatory in case of outbreaks of the disease and should lay down clearly the rules on vaccination. Secondly, the protective measures against swine fever should not serve as an excuse for Member States to hinder the free movement of animals or carcasses within the Community.

Mr Brøndlund Nielsen (L). — (DA) Madam President, we are dealing here with a question which is very serious and urgent. I think it is good that the Commission is constantly making progress in the fight against the various animal diseases and is trying to create uniform rules in the Community. But sometimes we have to appeal to the Commission to implement the procedures available to it in order to take measures against very topical and critical problems. And this is what we are facing now.

Brøndlund Nielsen

In my country there is a very high level of pig production, and we feel that it is under serious threat from the swine fever in northern Germany, quite close to our borders, which would have catastrophic results for us if it were to come over the border. For this reason I would urge the Commission to do everything in its power to take action and halt the spread of infection. Mr Eyraud's report supported the principle of identifying high-risk areas, but it is very important that strong measures can be taken when such regions are identified. I would like to ask the Member of the Commission what has been done up to now, and if he has any reassuring remarks to make to the many worried people in the area bordering on Schleswig-Holstein at the present time?

There are also other problems which we must raise in this context. For instance there is fresh concern about the possible risk of infection from Eastern Europe. A question raised in the German Bundestag has given rise to uncertainty, owing to a leakage of dangerous infectious substances from a research station in the East German region near the Baltic, close to the Community's border. I would like to ask — and this is something which we have discussed previously — what we can do to protect ourselves against such things from Eastern Europe and what is being done.

Consequently, my group gladly supports the current efforts made in these areas, but I would also urge that measures be taken in the more pressing cases, so that we can avoid incidents which would hit producers very hard but would also indirectly reflect on the Community's reputation. Given that the Community has — and this is a very positive thing — opened its borders to trade, we must try to avoid incidents which could provoke a very strong reaction should infection spread across borders. We must be able to continue our work calmly and efficiently without being hit by the kind of interruptions which might have very wide-ranging consequences.

Mr Dalsager, Member of the Commission. — (DA) Madam President, I would like to thank Mr Eyraud for his report on our proposal to tighten the measures for the control of swine fever. As you know, the Community programme for the eradication of swine fever was introduced in 1981. However, at the same time a serious epizootic developed in certain Member States and for this reason it became very difficult to implement the eradication campaign according to the timetable, as was planned. On the basis of experience gained during the epizootic and during the first years of the control programme, the Commission came to the conclusion that the basic directive must be tightened up on specific points so that the rules can function effectively, especially during an acute outbreak.

At the present time the Commission has proposed stricter rules on three points. These are that the restriction in the protection zones should continue for 30

days instead of 15 days, and that stricter rules governing the official control of vaccines and vaccination in connection with specially dangerous outbreaks should be introduced along with rules for the designation of special high risk areas, with restrictions on the movement and trade in pigs in such areas.

In reply to Mr Nielsen, let me say that we are constantly on the alert as regards the border between the Federal Republic and the Kingdom of Denmark. We hope that by strengthening the measures in this way the epizootic can be stopped and that the Community programmes for eradicating infection can continue as originally planned.

As regards the other problem raised by Mr Nielsen, namely the question of cooperation with East European countries on the control of infectious cattle and animal diseases, let me say that there is technical cooperation with these areas though of course this is on a slightly more restricted level than the far broader cooperation within the Community. But we do have contacts with the East European countries because clearly we have a common interest in fighting these serious diseases.

Once again I would like to thank Parliament for the support it always gives the Commission on questions involving the control of disease among our livestock.

President. — The debate is closed.

The vote will be taken at the next voting time.

9. Wine market

President. — The next item is the report (Doc. 1-52/84) by Mr Martin, on behalf of the Committee on Agriculture, on the

proposal from the Commission to the Council (Doc. 1-1231/83 — COM(83)639 final) for a regulation amending Regulation (EEC) No 337/79 on the common organization of the market in wine.

Mr M. Martin (COM), rapporteur. — (FR) Madam President, ladies and gentlemen, the Council has once again adopted measures, even if they are not yet applicable, without waiting to consult Parliament and without taking account of Parliament's opinion.

What, in the wake of the 31 March agreement, can be gained from discussing Commission proposals which, today, seem to be irrelevant?

Little, apparently, as far as procedure is concerned, but we attach importance to further negotiation of the wine regulation so that they can be improved.

The proposals which the Committee on Agriculture puts before you can contribute to this and serve as a reference by demonstrating that it has been and still is possible to do things differently.

How do we view the measures which the Council has decided on, measures which, furthermore, match the proposals of the Commission? First let me give a

M. Martin

general appraisal : in July 1982, the Council adopted a new regulation providing in particular for a guaranteed price and a pre-emptive rationalization of the market. The European Parliament welcomed these changes, but commented that they would not be capable of providing a long-term solution to the crisis in the wine-growing sector. Mr Colleselli, our rapporteur at the time, was perfectly right, as time has shown.

In fact, in spite of a wine harvest 5% down on that of 1982 and in spite of an increase in exports and a fall in stocks, the situation of many wine-growers remains a matter for concern. Thousands of them, in my area, for example, are forthright in their dissatisfaction. This is largely the result of the shortcomings and misapplication of the rules.

In drawing up new proposals, the Commission could have looked hard at the application of Regulation 82 and decided on possible ways to improve it. It has opted for a different course and is bogged down in budgetary savings including a cut of more than 10 % of EAGGF appropriations, a cut which will have serious effects on the already precarious market balance and on wine-growers incomes.

How can this obstinacy be explained when EAGGF expenditure on wine only represents 4% of agricultural expenditure and bears no relation to the volume of production ?

Let us analyse the Commission proposals and their most likely consequences in greater detail.

Let us begin with enrichment. It is true that the addition of sugar does allow the unfair enriching of poor vintages and create distortions between wine-growers ; however, it is also a traditional technique, hallowed by local usage and legal in many regions of the EEC producing high-quality wines.

Rather than an unconditional ban would it not be preferable therefore, initially to limit the use of sucrose and at the same time to increase monitoring wine-making operations, particularly enrichment, in order to correct distortions and penalize cases of abuse ? The aid for the use of concentrated must has proved itself to be practical and therefore ought to be continued.

Furthermore the Council, by referring this question for further examination, seems to have been of the same opinion.

The abolition of short-term storage would be a harsh blow for wine-growers' incomes and for the cash flow of wine producers. Contrary to what the Commission claims, this measure continues to play an important role in stabilizing the market because it allows temporary freezes on released quantities of wine. Furthermore, the wine-growers often make use of it, since appropriations for short-term storage reached 6 million ECU in 1983. We must add that we fear that the abolition of short-term storage will jeopardize long-term storage and the satisfactory-outcome guarantee.

The Committee on Agriculture rejects completely the Commission's proposals as well as the Council's decisions and proposes new improvements to the Community regulations. By making preventive distillation more attractive, which seems to be the most effective and economical means of disposing of low-quality wine at the outset of the marketing year ; by improving the terms for the application of support distillation which should in any event be applied immediately and by strengthening support measures so that wine-growers can be guaranteed at least the minimum price provided for by the regulation, which is far from what happens today. But distillation, no matter what type it is, cannot and must not be the only means of controlling the market. The problem of plantings must be dealt with more effectively, in order to redress the evident distortions between Member States and to improve grape varieties.

Finally, the report also stresses the serious effects enlargement of the Community would have on wine-growers and makes positive proposals so that the market can be broadened, imports reduced and consumer information improved.

The report also expresses concern — I have now nearly finished — that the Community market is open to imports of American wines which are the subject of oenological practices not permitted in the Community, and it insists that the European Parliament should be consulted on all proposals concerning this matter.

I have taken the liberty of stressing the need for this consultation, because it does not seem to be desired by the Commission.

These are the proposals put before you the by the Committee on Agriculture, of the economic and social importance of wine-growing production in the EEC and of the efforts which must be not only decreed but deployed to help Mediterranean production.

Madam President, ladies and gentlemen, I thank you for your attention and hope that this Parliament will support the proposals in this report which it has been my honour to present and which was widely supported in the Committee on Agriculture.

(Applause from the Communist and Allies Group)

Mr Ligios (PPE). — *(IT)* Madam President, the proposals for an amendment of Regulation 337, relating to the organization of the wine market which has been presented by the Commission, represents — as the rapporteur was saying — a step backwards after the situation which developed following the amendments which were presented by the Commission last year and which were approved by this Parliament, which noted in the Colleselli report and still notes that they would not be capable of providing a definite solution to the crisis in the wine-growing sector.

Ligios

In fact, in spite of a 5 % decrease in production in 1983, an increase in exports and fall in imports, the wine-growing sector remains a matter of concern, full of social pressures which are bound to increase and get out of control the closer we get to the next marketing year, or rather the next wine harvest. Instead of providing for the regulation to be improved and better applied, the Commission proposes, only one year later, worse amendments which would have serious effects on the market balance and on wine-growers incomes.

I do not think the Commission has concentrated enough on the examination of part which I consider fundamental in the wine-growing market crisis: reduced consumption. The Commission should expand this point and do something about it. It is obvious in the statistics: my country, for example, has the largest consumption, as well as the largest production, of wine in the Community on an average consumption rate between 1971 to 1975 and in 1982 the consumption fell to 14 million hectolitres.

Therefore, we must try and examine the causes of this fall in consumption, which all of us know are: competition, greater industrial advantages of other products, the many beverages which are put on the market from one day to the next, all of which are accepted in a sector such as that of the wine-growers which lacks professional preparation and capital.

Now, when the problem concerns millions of growers, especially those in the lower half of the income scale of people employed in agriculture, the narrow budgetary approach which the Commission would like to assume is not acceptable.

Yet again, we are seeing Mediterranean products being penalized, and for these products we asked in vain, not for privileges or aid, but for the type of guarantee and protection which is reserved for other types of products. Of course the expenditure of the EAGGF has risen in the past few years and if it has risen from 150 million to 600 million ECU, undoubtedly it is because of a move towards a new balance in favour of Mediterranean products. In spite of this, this sum only represents 4 % of EAGGF spending, that is a percentage which is much lower than EAGGF spending in smaller and less-favoured categories than this.

I cannot go into the details of the proposed amendment because there is no time. I agree with the report, except for two points: chaptalization and the increasing of the alcoholic strength. I support the abolishing of chaptalization, if only it could be abolished before the next wine year, and in the same way I support the move to increase the alcoholic strength. In fact in a time of surpluses all practices which could be justified at other times must most certainly be discarded.

Mr Maffre-Baugé (COM). — (FR) Mr President, ladies and gentlemen, first of all I should like to say to

Mr Ligios that I fully agree with what he has said. In other words, the two main wine-growing countries of the Community can wholeheartedly agree with one another seeing that the problems are being tackled from the point of view of wine technology.

The report which Mr Maurice Martin has submitted on behalf of the Committee on Agriculture on the common organization of the market in wine respects the code of the Community regulations and takes it fully into account in the strictest sense. It carries on both the letter and the spirit of the regulation which was adopted in July 1982, adding an element of dynamism and practical application. Madam President, my analysis is that of a wine-grower who has been committed to this sector throughout his life and whose view encompasses in the very strictest sense the whole situation of European wine-growing, refusing just to consider wine-growing in his own country, so that wine-growers in all countries can derive some benefit and the essential consumption element is not left out.

The last regulation had shortcomings and these must be remedied: although full of good intentions, it was in some respects inadequate and imprecise. Nevertheless, for the first time, one essential factor which it contained was that of a definite guaranteed income. This point should have been taken further. The reason why numerous wine-growers in our respective countries are disappointed now is because the intervention measures are obviously inadequate. In the wine-growing sector the best strategy is to discourage speculation in a balanced and rationalized market. Improving quantity and quality are two fundamental points which must go hand in hand with guaranteed incomes for producers. The need for discipline and effort will only be accepted if prices and markets are guaranteed at an acceptable level.

The amendments which I would like you to consider reflect my desire to add to and follow up this report; they are certainly not intended to alter the spirit of the report. They are a positive contribution which I think is acceptable for all the wine-growers and the consumers of the Community. Any progress in the policy on wine is bound to stem from successive moves to correct what have been found to be inadequacies or maladjustments in the past.

In conclusion, Madam President, this is the thinking behind my amendments. Mr Maurice Martin's report gives this important sector of production a chance which it has not had before in the Community's policy.

(Applause from the Communist and Allies Group)

Mrs Scaroni (DEP). — (FR) Madam President, ladies and gentlemen, the Group of European Progressive Democrats is concerned by the fact that the

Scamaroni

Commission has, yet again, drawn up proposals for the wine-growing sector which will do everything to restrict surpluses.

My group totally rejects this budgetary approach, which is the Commission's pet obsession with regard to agriculture. My group did not wait until today's debate to concern itself with the lasting difficulties of the Community's wine-growing sector, and the French wine-growing sector in particular. The European Progressive Democrats have, on a number of occasions, tabled motions listing a series of measures which, as regulations, could make a considerable contribution to the stability of wine-growers' incomes and employment.

We must emphasize the need for a stable and fair income for wine-growers — wherever they are in the Community — and we must stress that their incomes has suffered severely over the years. But this is not all. We are making a clear appeal to the Commission to tackle the real problems of the wine-growing sector by providing for long-term solutions. This is important in view of the negotiations for the enlargement of the Community.

We are therefore asking for permanent and systematic high-level intervention measures; the harmonization of the costs which weigh heavily on European wine-growers and whose disparity is especially damaging to French wine-growers; the continuance of storage contracts with performance guarantees; additional measures encouraging distillation; an extension of the export refund system for Community wines and high-quality wine products; and lastly the promotion of consumption. We also ask for a minimum price to be actually applied in intra-Community trade. With regard to chaptalization, we warn the Commission to make sure that, in the transition from the present system to the new system, entire wine-growing regions which have used chaptalization for many years will not be penalized.

The Group of European Progressive Democrats stresses the need to broaden the market outlets, especially through harmonization, by reducing excise duties and by adopting an active export policy towards third countries by means of adequate refunds being extended to many countries. But we must point out to the Commission that these proposals are only one stage and that we will definitely go on. We state clearly that we are only prepared to accept a single wine regulation which deals with the real problems and brings about long-term solutions. We ask for rules which apply to all wine-growers and distributors. We ask for rules which are accompanied not by charity — Heaven forbid — but by adequate financial means. Our only aim is to make a positive contribution to the drawing up of proper rules for the wine sector, and the Group of European Progressive Democrats insists that any such rules be implemented

thoroughly and without delay.

Mr Dalsager, Member of the Commission. — (DA) Madam President, I would like to say how pleased the Commission is that the debate on the amendment of the measures governing wine has now finally been placed on the agenda, and I also thank the Committee on Agriculture for its speedy handling of Mr Martin's report. Obviously the report reflects the attitude in wine circles in the Community. Parliament is of course aware that the Commission is paying a great deal of attention to this sector, but this will not prevent me from expressing the Commission's disagreement with the general lines of Mr Martin's report.

The Commission fully understands the arguments in defence of the wine sector, but we are seriously concerned about both the development of production and the budgetary aspects. I shall not go into detail, but only mention one of the matters raised by the rapporteur — the trend in the quantities of wine distilled and in expenditure.

In the 1970s 7-8 million hectolitres were distilled on average, whereas in the first four years of the 1980s approximately 17 million hectolitres have been distilled and the forecasts for 1983-84 indicate a further increase. In the 1970s the wine budget was often below 100 million ECU, while in the last four years it has been about 500 million ECU. For 1984 approximately 588 million ECU has been earmarked, and in all probability even that will not be sufficient. It is against this background that the Commission proposes that close checks be carried out aimed at reducing surpluses and thereby limiting expenditure, and the Commission is convinced that the proposed new organization will make it possible to arrive at a better and lasting reorganization of the market in wine, which will also be of great benefit to the wine producers.

It is against this background that I oppose the amendments proposed by the rapporteur.

President. — The debate is closed.

The vote will be taken at the next voting time.

10. *Veterinary medicines*

President. — The next item is the report (Doc. 1-1409/83) by Mr Hord, on behalf of the Committee on Agriculture, on the approximation of the laws of the Member States relating to the distribution of veterinary medicines.

Mr Simmonds (ED), deputy rapporteur. — Madam President, I am asked to convey to the House the apologies of Mr Hord, who is unable to be here this afternoon. May I say what a particular pleasure it is for me to take over this report on his behalf. I am only sorry that the Member for Birmingham North is not here

Simmonds

this afternoon, because I believe that this is a classic example of an own-initiative report which is of very considerable value in this House. Something which is very often decried.

I do not propose to speak at any great length. The explanatory statement is extremely clear, and I think it provides a thorough background to the problem. Although the report is an own-initiative one, it follows on from considerable concern that abuse of animal health drugs is principally due to a lack of any coherent system of control of distribution in most of the Member States. It is common knowledge that a black market exists in animal health products and drugs and that those black markets are common and widespread throughout the Community.

Further, I believe that the hormone scare of some three years ago obliges the Community to bring forward a proposal and an agreed system for distribution of drugs. In paragraph 5 of the report there are set out the four categories for distribution, and these categories have been successfully operated for some time already in the United Kingdom. I believe that there are, sensibly, good prospects that they will be extended to the rest of the Community. There is a need for proper supervision by vets and pharmacists of products which require careful prescription. But let nobody misunderstand this proposal as being a proposal for bureaucracy for bureaucracy's sake. The overwhelming majority of veterinary products can still be made available for general sale. That is why we merely seek in this report to make proposals for the more dangerous drugs or for those drugs which can have residue effects when the products by way of meats, and so on, are consumed subsequently by humans.

Accordingly, Madam President, it is a great honour for me on Mr Hord's behalf to commend this report to the House.

Mr Gautier (S). — *(DE)* Madam President, ladies and gentlemen, I shall vote against this report. It is a charming document produced by the Committee on Agriculture, but it is not untypical of the committee which is so dear to all our hearts.

A few years ago we had the famous scandal of hormones in veal. What was the problem? There were people making illegal use of fattening aids, and the Community was unable to control it. Now the European Community has issued a splendid regulation forbidding the use of artificial hormones as a fattening aid. We are still not able to control it, Mr Dalsager, because we still have no appropriate regulation.

What is the Committee on Agriculture now doing? It is standing up bravely and saying in paragraph 7 — Mr Simmonds has kindly repeated it, and Mr Hord also agrees — that all sorts of medicines exist as mass-use prophylactics, routine treatments, etc. which

should be on open sale. But our problem was the impossibility of controlling the drugs market. In the Committee on Agriculture I asked Mr Hord to name a drug which should be on free sale, but he could not name one. The other members of the Committee on Agriculture could not name one either, and since Mr Simmonds is standing in for Mr Hord so expertly, I should like to ask them in his capacity as rapporteur to tell me what these mass-use prophylactics are which are referred to in paragraph 7 as being safe for general sale.

We hold the view that the use of veterinary medicines in agriculture must be limited to what is absolutely necessary. We hold this view for various reasons, including reasons of health, for example for the protection of consumers against the spread of resistance to antibiotics and the like. We want to reduce prophylactic treatments to a minimum, and this can only be done by imposing an obligation to obtain veterinary authorization. This is the only way to put a stop to the grey market and to prevent the improper use of drugs.

What the Committee on Agriculture is doing leaves the real problems aside, and so I shall vote against the motion.

Mr Dalsager, Member of the Commission. — *(DA)* Madam President, I was interested to read Mr Hord's report on the approximation of the laws of the Member States relating to the distribution of veterinary medicine, and it is clear to me that we are dealing with a subject on which it is very difficult to formulate common principles for safety provisions and for the type of control required. On the other hand, I must admit that more uniform rules must be introduced in the Community. I am therefore able to support the principles which have been agreed upon in this report, even though I have to express reservations on certain points because the Commission must have a bit more time to think about the technical and formal aspects.

At the same time I would like to point out that the Commission has already drawn up a proposal in this field, namely on the supply and use of medicated feedingstuffs. It was in the form of a proposal for a Council Directive. The Commission believes that an important sector of veterinary products has thus been covered, because more and more medicine is being introduced into domestic animals by way of feeding-stuffs.

This applies to both preventive and curative medicine and in particular, to domestic animals producing food, where we believe there are special reasons for setting up comprehensive medical controls.

The Commission is of the opinion that it is thus possible to create facilities for systematic treatment of domestic animals for the benefit of the owners of domestic animals, and at the same time take account

Dalsager

of consumers' wishes for better controls on foodstuffs for their antibiotic or hormone content, for example, which are only some of the substances currently under debate.

The Commission considers that this report reflects Parliament's wishes for work to be continued in this field, which is a view shared by the Commission. We shall examine the technical and formal problems in my department, and it is my hope that we shall be able to utilize the results in the ongoing work in this field.

Mr Simmonds (ED), deputy rapporteur. — Madam President, I was asked a specific question by Mr Gautier. I am not quite sure of the translation into German. If he would refer to paragraph 5, he will see that we have asked that the control of the distribution of drugs should start with a classification of various drugs, to determine under which of the four listed headings drugs should be generally available. I would like to tell him that the system as operated in the United Kingdom is much tighter than that in most other European countries. For example, I may not apply antibiotics to my cows except under veterinary prescription. I should like to reassure Mr Gautier that we are trying to tighten up systems of distribution for dangerous drugs and that we believe more research is required into the classification of general farm drugs.

Mr Gautier (S). — Mr Simmonds, I was referring to paragraph 7 of the motion for a resolution where it states :

Accepts that there exists a range of mass-use prophylactics ... which are safe for general sale.

I should like to have just one example please.

No more than that!

Mr Simmonds (ED), deputy rapporteur. — I do not think that under paragraph 7 I have to have a prescription for the application of sticking plasters to my cows. That is an example of one thing which is sold by my local agricultural chemist for application to animals. So that is one chemical application which I would not be campaigning to have made available under prescription only.

President. — The debate is closed.

The vote will be taken at the next voting time.

11. Harmonization of consumer tax structures

President. — The next item is the joint debate on — the 2nd report (Doc. 1-48/84) by Mr Ligios, on behalf of the Committee on Agriculture, on the taxation on wine ;

— the 2nd report (Doc. 1-49/84) by Mr Hopper, on behalf of the Committee on Economic and Monetary Affairs, on the

communication to the Council (COM(79)261 final) concerning the major problems relating to the proposed Council directives to harmonize the structures of consumer taxes, other than VAT, on beer, wine and alcohol.

Mr Ligios (PPE), rapporteur. — (IT) Madam President, I must remind you that when I presented my report to Parliament I had already spoken and that it was referred back to Committee because a quorum was called for on a certain day in the last session.

Therefore I shall not add anything to what I said then.

As for Mr Hopper's report — which I was opposed to and whose content I criticized and which was also referred back to the Committee on Economic and Monetary Affairs it has been altered and I agree fully with it in its present form. Furthermore I agree with the Committee on Agriculture's opinion which supports my objections to the report.

As far as the amendments — seeing that it is my turn to speak — I think that all those which have been presented only alter one point in the report and I have just been told that it is to be withdrawn — Number 10 I believe — which I would most definitely have opposed because it would simply re-introduce what the Committee on Economics and Monetary Affairs had just eliminated.

Mr Hopper (ED), rapporteur. — Madam President, may I say, particularly to Mr Ligios, how pleased I am that both his report and mine are being taken together here. This stresses the common interest of all producers and consumers of all kinds of alcoholic beverages in establishing a common market in those beverages. I am also exceedingly pleased that the subject is coming up so shortly before the European elections. This is one of the success stories of the European Community. This is something I would not have said a month ago, but in the last month we have seen the British budget, and in the British budget the British Government has complied with the ruling of the European Court of Justice and has brought the taxation of wine, beer and cider into line. This has not been done altogether without pain. I would draw your attention to the fact that in the United Kingdom the tax on cider has been tripled. I would like to ask Mr Ligios if he would kindly, perhaps a little later in the debate, explain to me why he regards the action of the British Chancellor as the first step. I understand from my friends in the European Commission that they believe that the British Government has complied fully with the ruling of the Court of Justice. This morning there was good news from Rome. I hear that the tax on Scotch whisky in Italy is to be halved.

Hopper

Now, Madam President, we have gone some way and this is a success story, but we have not gone far enough. Once again, I commend Mr Ligios on his report, in particular for his call that the Commission should submit as quickly as possible new proposals for harmonizing the taxation of all alcoholic beverages, because that is what we are talking about here. Barriers abound in the European Community. The most extreme and the most dramatic are to be found in this very beautiful country in which we are debating today. The tax on spirits — that is, on whisky, gin, vodka and brandy — in France today is 40 times heavier than the tax on beer and 35 times heavier than the tax on wine. This constitutes a major barrier to trade.

I understand that my report in its present form, as amended by the Committee on Economic and Monetary Affairs, now has the support of the European Commission — perhaps not the most enthusiastic support but none the less its support. I understand that it has also earned the support of the Committee on Agriculture and the Committee on Social Affairs and Employment.

I regret the attitude of the British Labour Party towards my report. My report is ultimately about employment. It is about jobs in those industries which are concerned with the creation of alcoholic beverages, particularly in the north-west of England, which I represent and which the leader of the Labour Party in this House represents. Employment is a major issue, and employment in the distilling industry is a major issue. I would suggest that in opposing my report the leader of the Labour Party in this House is putting party before country and before Community. I am happy to say that his views do not reflect those of many of his own Members, including the Scottish Labour Members, who are deeply concerned about unemployment in the Scotch whisky industry.

In conclusion, a vote for my report is a vote for the common market and a vote for employment.

Mr Wedekind (PPE). — *(DE)* Madam President, ladies and gentlemen, the Group of the European People's party welcomes Mr Hopper's report, which we feel really shows the way to harmonize alcohol taxes in Europe so that no type of drink is played off against another, and the tax system used for protectionist ends. It is the kind of example that ought to be followed for other taxes too, and we believe that other consumers taxes should be tackled in the same way.

The great advantage of our proposal is that it prescribes no rates of taxation for the national governments. Our system leaves it up to the national legislatures to fix the rate of taxation depending on national needs. That is an important point which must be enshrined in Community legislation.

Allow me to explain briefly why I think this report is so important. It is really unfathomable why some Member States impose high rates of tax on cognac, others on whisky, others on beer, and others still on wine. What they are trying to do, of course, is to pick out particular products as luxury articles, and play them off against others without drawing a clear dividing line.

The upshot — to some extent, at least — is that extremely low-quality alcoholic drinks are subject to very low rates of tax, while high-quality products attract very high rates of taxation. That is an absolutely absurd situation, and all it means is that, because of the low rates of tax imposed, poor-quality products are sold in great volume, while at the other end of the scale, the high rates of tax force down the sales figures on good quality. What we ought to be doing is making sure that poor quality disappears from the market and high quality is encouraged. In other words, our policy ought to be the reverse of what it actually is.

Of course, it will always be very difficult to decide on the quality rating of a particular product. I therefore very much welcome the objective proposal put forward in Mr Hopper's report, which relies only on volume and alcohol content. Those are criteria which everyone can clearly recognize and which we can take as a guide. We shall give our support to this report and we believe that this is the fairest and most balanced response possible at the present time.

Mr Beazley (ED). — Madam President, Mr Hopper has made a really valiant attempt to make new proposals for the harmonization of the structures of consumer taxes on alcoholic beverages. This is far from a simple task, as the failure of previous efforts of the Commission to obtain acceptance by the Council of Ministers has shown. The report, in its present form, has attempted to take account of the views of all interested parties. This has, in fact, led to the removal of Mr Hopper's basic proposals on the nature of the structures to be adopted. The Commission has therefore been given the responsibility of re-investigating the position and making new proposals for an appropriate scheme.

In view of the fact that the present national measures have been built up historically on the needs of national exchequers to raise taxation from wherever the market could best bear it, the European Community is now faced with a series of protectionist measures without any consistent basis. Non-discrimination, freedom of choice and freedom of movement of goods across the common market must be the guiding criteria. However, the situation is further complicated by the fact that the Community's agricultural policy itself has given rise to discrimination by classifying wine in a different category from that of

Beazley

hops, whilst the promoting of wine production and consumption has been part of that policy without any comparable policy for beer.

The case for differentiating between the basis of production of alcoholic beverages must also be carefully inspected. Does fermentation, as compared with distillation, provide a valid criterion in relation to alcoholic strength? I submit that the Commission must clarify these matters and that the Council must make greater efforts to decide on taxation levels based on suitable non-discriminatory principles.

Finally, I must draw attention to the fact that, in the case of beer, different methods of defining strength do lead to discrimination. Our amendments to correct this have, for some unknown reason, not been brought forward with the present report. I would ask the Commission and the Council to note that our committee was generally in agreement that the original gravity of the wort strength should be the basis of the measurement of strength, rather than that of the final strength.

Mr Rogalla (S). — *(DE)* Madam President, I am speaking on behalf of the Socialist Group, because my colleague Mr Sutra, who was originally due to do so, is not here at this moment. Our group is now in favour of both these reports.

To begin with, it is debatable whether the Ligios report, which has to do with the European Court of Justice ruling on a specific problem to do with the taxation of wine, has any basis at all. Nonetheless, the committee decided to place this report before the House, but in doing so, it has certainly not landed a major success — to put things rather modestly and critically.

On the other hand, Mr Hopper's report constitutes a genuine attempt to make some progress in the field of tax harmonization, and give some backing to the experts who have been battling for decades now without making any progress whatsoever on such matters as tax basis, volume percentages, alcoholic strength and the like. We need fiscal harmonization in the Community as an element of the internal market, and as a basis for competition in the exchange of goods in this highly sensitive field. And it is because we need harmonization — and this is something any number of other examples have taught us — that we must wrest these matters out of the hands of the experts and bring political pressure to bear to get things moving.

I should also like to protest at the fact that a number of Member States have come out with what I think we are bound to call high-handed announcements of increases in special consumer taxes, and have thus exacerbated the differences in the various tax burdens, with the inevitable consequence that the essential element of harmonization has been made that much

more difficult, given that harmonization involves the redistribution of substantial amounts of money.

My group supports the Ligios report, but is against the two amendments tabled by Mr Moreland. As regards the second report by Mr Hopper, which we regard as a highly important initiative in the field of consumer tax harmonization, I should like to state that we shall not be able to give our support to the amendment aimed at what the committee wanted to see, namely the creation of different categories depending on alcohol content. We quite simply believe that the power to make decisions must rest with the committee concerned, which must be allowed to form its own opinion. And that opinion is that — although I would personally very much welcome it — we cannot go beyond recommending the harmonization of firstly the consumer tax structure and subsequently the rates of taxation, and including all alcoholic beverages in a single directive.

Mr Wedekind has already referred to the anomalies in the taxation of alcoholic beverages. What is happening is that major Member States are, under the mantle of health protection, pursuing purely financial ends, and that is something we must vigorously resist. In my opinion, the only valid criterion in the long run is the alcohol content — that, and only that, should be the basis for a standardized fiscal system. That will have a number of consequences. It will take years until we manage to get that kind of harmonization, but that does not mean that our policy and our aims are wrong.

I very much hope that this House will come out as unanimously as possible in favour of the two reports, and thus give its backing to the Commission, from whom we expect a good and successful performance over the coming years in the battle for money with the Member States.

Mrs Castle (S). — Madam President, British Labour Members are strongly opposed to the Ligios report because it endorses the Court of Justice's findings that beer and wine are interchangeable and that the British Government should be forced to equalize the taxes on them. We deeply regret that instead of fighting this ruling the Chancellor of the Exchequer in the British Government has gone ahead to meet the claim in the budget which he has just introduced, putting twopence more tax on beer and cutting the wine tax by 18p a bottle. In doing so he has lost himself £ 100 million in revenue from the tax on wine at the very time when his Minister for Health has, by increasing prescription charges, made a £ 37 million tax profit off the sick. We believe that the right of a government to choose to tax wine heavily as a luxury and not to tax medicines instead is part of our national freedom and our national priorities.

We cannot accept the Hopper report because it is part of the steady move by the British Conservatives to

Castle

take us deeper and deeper into political and economic union and, indeed, —

(Interruption)

Yes, I am glad to have your endorsement, because that is not what your government is saying officially to the British people and we are going to tell them so during the coming election. Mr Hopper has called in his explanatory statement for the complete harmonization of taxes, including excise duties and VAT. This is part of the British Government's move to put value-added tax on food in Britain and on the whole range of other necessities. They started doing it in the recent budget where the Chancellor has put 15% on a staple part of working class diet, namely, fish and chips. If this Hopper attitude is endorsed, we shall before very long have VAT on all foods in Britain, on children's clothing and footwear, on newspapers, books and other things that we consider essential and that are zero-rated at the present time. We will fight this tendency with all our strength.

(Protest from the European Democratic Group)

Mr Tugendhat, Vice-President of the Commission. — Madam President, I can see that Mrs Castle is getting up a fine head of steam for the elections and I think that the contest between her and Mr Hopper in Manchester should be one worth watching, and I am sure that all Members of the House will look forward to hearing the result.

For my part, I am very glad that this report has at last come before the House. I should like to congratulate Mr Hopper on its quality and to register my agreement with much of its content. For the Commission, I can say that we identify very closely with a number of the things he said, notably with the view that harmonization through the Council is preferable to litigation through the Court, which is paragraph 10 of his motion for a resolution, and that structures have to be harmonized for rates, which is stated in paragraphs 13 and 15. There is also much common ground between us as regards the general principle of structural harmonization contained in the report.

For such harmonization to be effective, however, it must be comprehensive, and I find it surprising that the committee makes no provision either in the resolution or the report for harmonizing VAT on alcoholic beverages. Without such provision, there remains the risk that structural harmonization of the excise duties could be frustrated by differentiated VAT treatment. It is, in the Commission's view, essential to ensure that all drinks in the same category, and wherever possible in all three categories, are subject in any one Member State to a uniform rate of VAT.

In paragraph 15 of the resolution Parliament considers that structural harmonization of excise duties on all alcoholic drinks should be encompassed in a single directive. I do not see much merit in this

procedure. The Commission has already made separate proposals for harmonizing the excise duty structures on beer, wine and spirits, and I see no need to scrap these proposals which, together with the Council's compromise package for 1981, form the foundation of our harmonization programme. We shall none the less, need to add to these proposals a fourth dealing with intermediate products such as liqueur wines and vermouth. Of course, these proposals should be considered as a whole and their provisions brought into effect according to a common timetable. This can be done while maintaining separate directives for each main product group.

My final comment concerns taxation of traditional rum produced in the French Overseas Departments. Parliament adopted a resolution on this subject on 10 March 1983, and the present resolution urges the Commission to take account of the earlier resolution. I can assure Parliament that the Commission has been making strenuous efforts to resolve this problem. Its services have examined the situation in several of the Overseas Departments, and the Commission will shortly be submitting to Parliament a report on the present economic conditions of rum production and on the feasibility of alternative measures to sustain this sector of their economy.

As far as the 10 amendments which have been tabled are concerned, I should like to limit my comments to two of them. On Amendment No 2, which is identical in substance to Amendment No 9, I confess to being somewhat mystified by the allegation that certain Member States charge excise duty on goods before they are cleared through customs. The Commission services have no knowledge of such a practice in any Member State. If the honourable Member would provide further particulars, I will gladly have them looked into. The crucial test in this matter, however, is whether the same rules regarding payment apply to domestic goods as to imported goods. If they do, there is no case to answer. If they do not, then the Member States would be in breach, not of Article 13 but of Article 95 of the Treaty. The Commission did, in fact, successfully bring a case against Ireland under Article 95 for granting a longer deferment for payment of excise duties to domestic producers of spirits, beer and wine than it did to importers of those products. Ireland, as a result, discontinued the practice. I mention this to demonstrate my point that there is no substance in this particular allegation.

I do not think I need take up the time of the House on Amendment No 10, which aims at reintroducing the approach of Mr Hopper's first report. I understand that it has been dropped. If I am mistaken in that matter, it will be necessary to refer to it later.

That brings me, therefore, to the end of what I have to say. I am aware, however, that I really have not been able to do justice to the report in the circumstances

Tugendhat

available to us. I would like to assure the House that the Commission will take serious note of the points raised and will accommodate them as far as possible. The Commission stands by its own proposals for dealing with each main product group, subject to understandings reached during the Council compromise discussions of 1981. We believe that if we are to make progress, it can only be by building on these foundations.

I am sorry to have to conclude my speech in such a hurry in order to allow the votes to take place, but I should like to end, as I began, by congratulating Mr Hopper on getting his report before the House, and also to say to Mr Ligios how glad I am that we were able to deal with his report in the earlier debate, so that we have maintained the parallelism between the two.

Mr Hopper (ED), rapporteur. — Mr President, I regret to detain the House, but I would like to inform the Commissioner that, so far as I am aware, Amendment No 10 has not been withdrawn by its authors, though Amendment No 9 has been withdrawn. A comment from him therefore would be, I think, entirely appropriate and indeed essential.

I would also ask if he can shed light on the statement by Mr Ligios in his report — I believe it is part of paragraph 11 — to the effect that the action by the United Kingdom in the recent budget concerning the tax on wine, beer and cider is a first step only. Does the Commission believe that there is a second, or third, step?

Another matter which the Commissioner, no doubt trying to save time, did not deal with was the question of what the nature of the Commission's proposals with regard to intermediate drinks might be. It would appear to me that the only satisfactory solution that has been put forward to this problem is that which bases taxation upon alcohol content. I wonder if the Commissioner could tell us if he has another solution.

Mr Tugendhat, Vice-President of the Commission. — Mr President, Mr Hopper has thrown rather a barrage of questions. Let me deal with two. He particularly asked me to speak on Amendment No 10, which we find unacceptable. The ideas contained in the amendment concerning the structure of excise duties on all alcoholic drinks undoubtedly have a superficial charm and logic, but they also seem to us to have a number of serious defects. First of all, a classification based solely on alcohol content disregards the important distinction between naturally fermented alcohol, such as beer and wine, which is consumed on a very large scale, and distilled alcoholic spirits, which are normally, at any rate, consumed on a rather smaller

scale. Of course, some people consume both together. The former have, for traditional and social reasons, nearly always been taxed less per degree of alcohol than the latter. The effect of the new structure would be either to depress the tax yield or to disrupt the market for alcoholic drinks in general and for wine in particular.

Mr President, I think that is all I would like to say on this subject at the moment in the light of the circumstances, but I could give Mr Hopper a rather fuller report if he wanted me to.

On the subject of the United Kingdom, I must say that our view is that, subject to final examination, the United Kingdom, I am happy to say, has complied with the European Court's ruling in the course of the measures taken by the Chancellor of the Exchequer in his budget statement.

President. — The debate is closed. The vote will be taken at the next voting time. In accordance with the announcement from the Chair on Monday, Parliament is required to vote again on Mr Hutton's report (Doc. 1-1523/83) on broadcast communication in the European Community. The documents connected with this report are being distributed and the vote will take place at voting time tomorrow morning.

12. Votes ¹

(The sitting was suspended at 7.50 p.m. and resumed at 9 p.m.)

SITTING OF THURSDAY, 12 APRIL 1984 (II)

IN THE CHAIR : MR VANDEWIELE

Vice-President

(The sitting opened at 9 p.m.)

President. — Ladies and gentlemen, although there are not very many of us at the moment, I trust we shall make a friendly party this evening and get through a large number of items with the greatest possible speed.

We now start the late, late night show!

(Laughter)

13. Central America (contd)

President. — The next item is the continuation of the debate on the report by Mrs Lenz on the situation in Central America (Doc. 1-56/84).²

¹ See Annex.

² See the previous day's debates.

Mr Irmer (L). — *(DE)* Mr President, ladies and gentlemen, what few there are of you are here, it is regrettable that this debate on Central America should primarily concern human rights. As a Liberal, I am always very disturbed to see certain people apparently tending to judge violations of human rights less by how serious and persistent they are, by the criminal vigour with which human rights are trodden under foot, than by the country in which the violations take place, the criterion being whether the regime responsible is of an acceptable political complexion or whether it should be utterly condemned from the outset — even if only on political grounds, not because human rights are being violated.

Even in Central America a struggle for freedom is no excuse for killer commandos, there are no mitigating circumstances to justify the existence of death squads. No matter who treads human rights under foot, the European Parliament must condemn violations outright.

The Americans must also beware of violating human rights in this region. In the last few days we have heard about the mining of Nicaraguan waters. I should like to quote what the American Senator Barry Goldwater, who is not exactly renowned as a Liberal or for being progressive, said about this. With your permission I will quote from one of today's papers. Barry Goldwater said :

I have been trying to figure out how I can most easily tell you my feelings about the discovery of the President having approved mining some of the harbours of Central America. It gets down to one little simple phrase : I am pissed off.

I apologize for the language, Mr President, but that was what Barry Goldwater said. He went on :

This is an act violating international law. It is an act of war. For the life of me I do not see how we are going to explain it.

I should just like to say a few words about yesterday's debate. Unfortunately I do not see either the rapporteur or Mrs Van den Heuvel in the Chamber. I did not like what Mrs Van den Heuvel had to say yesterday evening. She accused the rapporteur of not being objective and criticized her report for being one-sided. I do not see this, particularly as Mrs Lenz has said she is prepared to accept most of the amendments tabled by my group. They make it clear that we do not distinguish between Nicaragua and El Salvador in terms of political sympathy, but that we are trying to be objective and to take note of any positive development. On the other hand, we utterly condemn everything that should be condemned.

The power politics of the superpowers unfortunately play too significant a role in Central America. Clearly, this is partly due to the fact that old structures were not reformed when they should have been and that

some of the social and economic systems are completely obsolete. But we must realize that this situation is seriously aggravated by the fact that Central America has become an arena for the opposing interests of the superpowers and the East-West conflict.

The East-West conflict is one thing. But the problems these countries face are so immense that they should not have to contend with the East-West conflict as well. They are too poor and need our help too much for that.

I hope the Community can play an active role in bringing peace to the region. The forthcoming accession of Spain and Portugal to the European Community gives us hope in this respect. Their traditional ties with the Latin American countries will open completely different doors to this part of the world. Spain and Portugal can be a great help here. Let us take advantage of this and as a Community help with economic aid and political mediation to ensure that peace is eventually restored to these poor, suffering countries.

Mr Giolitti, Member of the Commission. — *(IT)* Mr President, the Commission on whose behalf I speak has repeatedly pointed out that the present crisis in Latin America is due to internal economic and social causes.

The Commission is concerned at the spread of instability and violence, made all the more dangerous by the fact that on the local conflict is superimposed the global conflict between East and West.

The Commission welcomes the initiative of the Contadora Group because it comes from the region concerned and because it proposes an economic and political solution instead of a military one.

As far back as November 1982 the Community adopted, on the Commission's proposal, a special aid programme for Central America which notably provides for agricultural development measures within the framework of land reform programmes now being implemented.

On the basis of a Council decision of 29 November 1983 the Commission drew up and submitted new proposals for closer cooperation. These proposals embrace effectively all the aspects of trade, economic and development cooperation and refer to the possibility of the conclusion of a regional arrangement on the lines of the Asean Treaty and the Andean Pact. These proposals are fully consonant with the present motion for a resolution both as regards the fundamental political approach and the details of each of the proposals.

It is to be hoped that, conscious of their political responsibility, the Community authorities will adopt a really substantial programme of cooperation with Central America.

Giolitti

Finally, as far as the situation in the individual countries is concerned, the Commission notes with satisfaction that according to indications, the process of democratization in Honduras is likely to progress.

The Commission hopes that the elections to be shortly held in several Central American countries will favour political pluralism and the protection of human rights.

To conclude, the Commission shares the anxieties expressed in the motion for a resolution concerning the situation in Guatemala and hopes that in that country, too, the reforms which have been announced will result in positive change.

President. — The debate is closed. The vote will take place at the next voting time.

14. *EEC-Cartagena Agreement*

President. — The next item is the report by Mr van Aerssen, on behalf of the Committee on External Economic Relations (Doc. 1-1495/83), on

the proposal from the Commission to the Council (Doc. 1-1267/83) for a regulation on the conclusion of the Cooperation Agreement between the European Economic Community, of the one part, and the Cartagena Agreement and the member countries thereof — Bolivia, Colombia, Ecuador, Peru and Venezuela — of the other part.

Mr van Aerssen (PPE), rapporteur. — (DE) I should first like to say, thinking of the next Parliament, that we share your view that a subject like our alliance with the Latin American countries, represented by the Andean Pact, is too important to be discussed so late this evening.

In the new Parliament we should find a way of ensuring that such important subjects, in which we and the Commission have taken so much interest for many years and which also arouse great hopes in the countries concerned, are considered in a different setting. Mr President, I am sure you agree with me.

My report is based on a unanimous decision by the Committee on External Economic Relations ...

President. — Mr van Aerssen, may I interrupt you for a moment to add emphasis to what you have just said. I agree, some subjects are too important to be dealt with when everyone is tired after a day's work. I hope that the next Parliament will consider this problem of night sittings. Personally, I have always voted against them, and it is an indication of my devotion to duty that I almost always take my turn in the Chair when they take place.

Mr van Aerssen (PPE), rapporteur. — (DE) Mr President, my report is based on a unanimous decision by the committee, and I believe that, after lengthy preparations and in close cooperation with the Commis-

sion, we have arrived at an agreement of historic constitutional importance. This will be the first time that an agreement is reached between Latin America and the European Community on a regional subject.

We Europeans have an historic opportunity to see this agreement in not only trade but also political terms. The Commission and Parliament have been cooperating for years during the preparations. The agreement would not have been possible without the directly elected European Parliament. We had a moral obligation to participate, and I believe we have fulfilled that obligation. Nor can the Council of Ministers, whose contribution in recent months has not been very positive, ignore such initiatives.

What is particularly important is that the European Community has, as it were, found a twin brother in the Andean Pact. The European Parliament has a partner in the Andean Parliament, the European Court of Justice has a partner in Andean Court of Justice, the European Investment Bank, which is helping us with our economic efforts to overcome unemployment, has a partner in the Andean Bank. We are very pleased that the Commission and Parliament have also said that the investments and activities of the European Investment Bank must be extended to include the Andean countries.

It is unprecedented for a regional organization like the European Community, representing 270m inhabitants, to have a twin brother in Latin America with 70m inhabitants, following exactly the same course as ourselves. This is a unique opportunity for us, and we must seize it.

Clearly, we must not regard this agreement simply as a 'cash and carry' deal but also as a political agreement. Five countries are in the process of consolidation and need our solidarity to ensure democracy takes root in Latin America, a subcontinent that is our brother and partner.

Referring to another report, Mr Irmer has said that, when Spain and Portugal join, they will be our natural ambassadors, speaking to this continent on our behalf.

Having visited these countries for Parliament shortly before Christmas, I must say that they have very great hopes of us. Our proposals have been agreed with our counterparts in the Andean Parliament.

We attach particular importance to the following: cooperation with our friends in the Andean countries should begin with the establishment of a modern telecommunications system based on the European satellite after agreement has been reached in both Parliaments and with the European Investment Bank and the Andean Bank. The Andean countries have approved this and will confirm their approval during their part-session from 2 to 5 May.

You are aware of the concern we feel about cocaine and other drugs. 70 000 Indian families in Peru

van Aerssen

depend on the coca plant for their livelihoods. Commissioner Pisani has drawn up a memorandum on the relationship between modern European agricultural policy and the Third World. I feel it should be possible to persuade these Indian families to grow other crops, which we would then buy from them. This would obviate the need for many repressive measures.

We have made several proposals for links between the European Parliament and the Andean Parliament. They call for the organization of institutional cooperation over the next few years. We ask the Commission to keep us regularly informed on its negotiations so that we can report to the House on the progress made with cooperation and the implementation of the 33 proposals, the most important concerning the telecommunications system linking the Community and the Andean countries. This is an historic opportunity, and I am happy to have been involved.

Mr Tuckman (ED). — Mr President, I am particularly pleased to be able to support and echo Mr van Aerssen, especially in what he had to say about cocaine. This is one of the enormous evils that stem from absolute necessity, and his approach seems to me at least a possible one which I do not think anybody has mentioned in this House before.

There is a great deal in the van Aerssen report on the Andean Pact which I find workable, clear and to the point. I see as particularly important the European-Latin American Institute which is intended to give a parliamentary focus to studies, conferences and exchange visits between our continents. I would like to stress that this arrangement is an intercontinental and not just an international one. We hope to learn from one another and to achieve a greater transfer of technology and other know-how. The conference on the environment is to be the first major event in Brazil.

In this debate I also want to look at the wider scene, because the Andean Parliament is concerned with only five countries. There is the Declaration of Quito, which is a major challenge to Europe. It was voted by 26 countries which want support and friendship, but this declaration asks for much that we shall find very hard indeed to give.

There is first the request for debt rescheduling, lower interest rates and even new loans, at a time when the repayment of outstanding debts is a major problem. How the banks of North America and Europe are to cope is quite unclear. The billions which have been provided by the US and ourselves are unfortunately considered inadequate.

We are also asked to open our markets and provide aid, without there being much understanding of our precarious position in the post-oil shock world. That Europe is struggling to stay viable in the face of

economic challenge from the US and the Far East is barely noticed. EEC support for Lomé is challenged, both on material and political grounds. Then there is the soft-spoken plea to Europe, as an ally, to counter-balance the weight of the USA. In this connection, I might mention that there was one occasion when I tried to buy something from a trader in South America. I tendered pounds sterling and was told, 'No, we are a dollar community.'

To sum up, we are delighted about the many instances where democratic sunshine is beginning to break through the cloud of dictatorship. Guatemala, Uruguay, Chile are examples at various stages of this process. The recent elections in Mexico, Argentina and Venezuela show considerable stability. This House welcomes all movement towards freedom and respect for human rights.

Mr Giolitti, Member of the Commission. — (IT) Mr President, the Commission has studied attentively and with great interest the report on a cooperation agreement with the Andean Pact and approves without reservations the motion for a resolution. A special relationship has existed for a considerable time between the Commission and the Junta. For many years now the Community has been the main source of development aid for the countries of the Andean Pact. The cooperation agreement provides an institutional framework for these relations and will serve to extend and deepen the cooperation.

We know, however, that progress in the area of trade must for the present be limited, because the traditional exports of the Andean Pact countries — textiles, steel and agricultural produce — affect Community economic sectors which are today particularly sensitive.

Economic cooperation holds an important place in the agreement and opens real prospects for the implementation of mutually advantageous projects.

On the occasion of the signing of the agreement in Cartagena some preliminary contacts were made. Both sides were interested above all in joint investment projects, especially in the mining and energy sectors. In this connection I should like to refer to a communication we have lately submitted to the Council on our economic relations with Latin America. We propose in that communication that the European Investment Bank should finance projects of joint interest in this part of the world.

If the proposal is approved by the Member States, our relations with the countries of the Andean Pact in the industrial domain could develop in an even more favourable manner.

As in the past, our aid projects will give priority to the most disadvantaged sections of the population. There is no doubt that agriculture remains one of the areas

Giolitti

of critical importance in development aid, not least for the reasons which Mr van Aerssen has just been rightly propounding.

Let me finally refer to our projects in the area of vocational training which have considerable practical scope. Unfortunately, in our present budgetary situation, we are able to put into effect only a restricted programme.

To conclude, I should like to stress once again that the Commission is committed to promote within the limits of possibility the process of integration within the Andean Pact, despite the difficulties arising from the economic crisis.

President. — The debate is closed. The vote will take place at the next voting time.

15. EEC-EFTA relations

President. — The next item is the report by Mrs Pruvot, on behalf of the Committee on External Economic Relations, on EEC-EFTA relations (Doc. 1-1496/83).

Mrs Pruvot (L) rapporteur. — (FR) Hitherto Parliament has very rarely had occasion to discuss trade relations between the European Community and this group of third countries, relations which, it is true, cause very few problems. Looking at the structure of trade one gets the general impression that these countries form part of the same world as the Community countries. Frequently, we share the same values and some at least of these countries could, theoretically, if they so wished be already members of the Community.

Since the Community is open to all democratic European nations it is clear that as soon as the Community has been enlarged to include Spain and Portugal — which, we hope, will be very soon — the future candidate countries will be those of the EFTA.

The analysis of trade relations undertaken by the Committee on External Economic Relations highlights the fact that there has been very close cooperation between the Community and the EFTA countries in recent years and that there are only few minor problems between the two groups of countries.

It is interesting to note that the economic problems facing the ten countries of the Community, the seven EFTA countries and Spain are largely the same. Our dependence on imports of raw materials, the general dependence on energy imports, the deep attachment to pluralist democracy and the protection of the environment form common links between these 18 countries.

We believe that, in the interests of the citizens of the Community whom we represent, we should deepen and develop contacts with the EFTA countries. The last remaining barriers which existed for trade in certain products between the two blocs were elimi-

nated on 1 January of this year thereby creating a highly industrialized free trade zone covering most of western Europe. When we in this House demand, as we have frequently done, the strengthening of the internal market of the European Community and the abolition of trade barriers between the Ten, we should ensure that these developments do not hinder trade with the EFTA countries. Those of us in this Chamber who are firmly committed to free trade as the only durable means of maintaining employment and creating new jobs in the Community should be aware of the danger involved in any attempt to set up new barriers which could hinder economic recovery in the Community and in the EFTA countries. The message contained in this report, which stands in my name, is that the Community and the EFTA share a common interest where trade is concerned, that after enlargement they will constitute an industrial market of 350 million people which will give Western European industry the necessary basis for future investment. Only cooperation and the reduction of barriers will enable Western Europe to meet the challenge from its principal partners of the world, i.e. the United States and Japan.

The Committee on External Economic Relations feels that an effort should be made to coordinate the policies of the European Community and that of the different EFTA countries. Nonetheless, we have to admit that the EFTA as such does not have the structures which would enable it to coordinate the policies of its member countries in the same way as the European Community. We must be prepared at Community level to establish contacts between the Community and the different EFTA countries. This brings me to one final problem. The free trade world is still handicapped by numerous technical non-tariff barriers to trade. This is true in the case of the Community, but we at least have in the Commission a body which struggles with great talent and energy to eliminate these obstacles. Where relations with the EFTA are concerned this is the principal area in which progress must be made in the coming years.

Mr President, the Community's trade with the EFTA is more important than its trade with any other country or group of countries. Indeed, although we are greatly dependent on our trade with these countries they for their part are even more dependent on their trade relations with us.

Finally, Mr President, I should like to draw your attention to a problem which our committee feels should be dealt with as quickly as possible, namely that of common rules of origin, since the major difference between the European Community and the EFTA is that the latter is a free trade zone and not a customs union. It is very important to be able to determine product origin. We believe that this is another area where it is in the interest both of the European Community and the EFTA countries to find a solution.

Pruvot

Mr President, I am honoured to be able to present this report to Parliament on behalf of the Committee on External Economic Relations, and I hope that the House will accept its conclusions.

(Applause)

Mr Gerokostopoulos (PPE). — *(GR)* Mr President, my position as Chairman of Parliament's Agency for Relations with EFTA's Parliamentarian's Committee obliges me to intervene in this debate on Mme Pruvot's excellent proposed resolution, and as its rapporteur I would like to congratulate her. I would also like to make the following comments :

Firstly, it is a fortunate coincidence that today's debate comes at just the right time to round off the results of the recent meeting between EEC and EFTA Ministers in Luxembourg on 9th April.

Secondly, the meeting referred to is a historic stage in the development of EEC-EFTA relations because it triumphantly set the seal on the total abolition, from 1st January 1984, of all remaining customs and quota restrictions affecting trade in manufactured products between the two sides, resulting in the creation of the world's largest system of free exchange, covering as much as 25% of all commerce. Moreover, at that meeting new targets were defined for the continuation of this cooperation and for its intensification in many other sectors, with special emphasis on the new technologies, on research, on the modernization of industry, and on environmental protection.

The European Parliament has contributed, and continues to contribute effectively, not only to implementation of the 1972 agreement on free trade, but also to a closer and more fruitful cooperation between the two sides. By way of proof I need only mention the meetings between our respective representatives in 1983, one in Strasbourg and the other in Geneva, the well-known resolution adopted by the House on 11 February 1983, following an initiative by the interparliamentary agency under my Chairmanship, and finally Mme. Pruvot's proposed resolution which we are debating today. Both of the above texts comprise proposals that have without doubt given substantial impetus to the definition of the new targets by the Ministers' meeting in Luxembourg.

Mr President, I would like to voice two wishes. First, that Mme Pruvot's proposed resolution should be adopted unanimously, and second, that parliamentary contacts should be continued and multiplied by the new agency formed by the Parliament that will take over after the elections on 17th June 1984.

However, I would also like to voice a complaint. In her remarkable report, Mme. Pruvot failed to make any reference to our Parliament's resolution of 11 February 1983, which contains almost the same things as her own resolution today.

Mr Bøgh (CDI). — *(DA)* Mr President, the Pruvot report is very interesting for us Danes since it tells us about the development in trade between the EFTA, which we left in 1972, and the EEC which we joined the same year. However, it tells us nothing about the internal economic development of the countries which belong to the two economic organizations, which is a pity since we are dealing with something which is historically unique : the greatest economic experiment ever undertaken ; two economic free trade models which are widely different in structure. You are dealing simultaneously with a market which comprises 300 million persons. The interesting question is, which of the two models has functioned best and contributed most to the welfare of its member states ? In fact, there can be no doubt that the EFTA has functioned best. Whether we take employment or balance of payments as the expression of the economic state of health, all the indications are that the situation in the EFTA countries is far better than that of the EEC. As far as I can see this is related to the structures of the two economic models. The EFTA is an example of what we call a functional cooperation model, i.e. which does not encroach in any way into the sovereignty of the member states except where required by the economic goals which it seeks to achieve. The EEC on the other hand is what we call a federalist cooperation model. It aims at the total fusion of the member countries in a union and therefore creates an enormous superstructure and a bureaucracy which are not concerned simply with the economy but also with all other aspects of a community's life. The functional cooperation model has shown itself in this situation to be much better than the federalist, which we are plagued with in the EEC. It is therefore strange that the unsuccessful EEC should be trying to convert the EFTA to its point of view rather than vice versa. At a meeting between EFTA parliamentarians and EEC parliamentarians in 1983, the EEC tried to smuggle a statement on political cooperation into the meeting's documents, which was sharply and clearly rejected by the politically neutral EFTA. It is therefore surprising to find a new attempt of the same kind in paragraph 6 of the Pruvot report, just as it is astounding that the Walter report on the nordic countries should contain a proposal that the EEC should set up information offices in Oslo and Stockholm. We, the opponents of the EEC, believe that we have to choose between two alternatives — the EFTA model and the EEC model — and that the time is right for this. The Danes can insist that we too should participate in EFTA cooperation, without, however, preventing the old EEC countries to implement the EEC model in a unified political state as long as we can stay out of it.

Mr Giolitti, Member of the Commission. — *(IT)* Mr President, the Commission regards Mr Pruvot's report as a very clear and useful analysis of the benefits we can expect from closer cooperation between the EEC

Giolitti

and EFTA: the Commission has stressed the advantages on more than one occasion. Last June the Commission submitted to the Council and to Parliament a communication listing the sectors in which it regarded greater cooperation as both possible and desirable. In some of these, a number of initiatives have already been taken. Further proposals will be submitted by the Commission in due course and we should also welcome any suggestions from the EFTA countries.

The closeness of our relationship was confirmed at the recent EEC-EFTA Summit. The joint statement issued by the Ministers at that meeting refers to a series of priority sectors in which we intend to strengthen cooperation; since trade is the foundation of our relationship, it is important that we do not yield to the temptation of protectionism. We have also agreed to cooperate in other sectors, such as research, transport and the exchange of information in a variety of fields, but more particularly on working conditions, preservation of the environment and consumer protection.

President. — The debate is closed. The vote will take place at the next voting-time.

16. EEC-China relations

President. — The next item is the report by Mr Pelikan, on behalf of the Committee on External Economic Relations, on relations between the European Community and the People's Republic of China (Doc. 1-1345/83).

Mr Pelikan (S), rapporteur. — (IT) Mr President, ladies and gentlemen, I feel it is highly significant at its penultimate part-session this Parliament should be considering our relations with the most populous country in the world, the People's Republic of China.

In quantitative terms, the Community's economic and trade relations with China cannot of course be compared with those with the United States or Japan. But in assessing their importance, we should look to the future, remembering that we are dealing with a country which today numbers over a thousand million inhabitants and which, despite a strict population policy, will, by the end of the century — in only 15 years, that is — contain nearly one and a half milliard people!

After the dramatic events of the 'cultural revolution', People's China has now achieved political stability and has set in train a number of economic and political reforms aimed at transforming that great country into a modern industrial state which is independent but open to political, cultural and economic exchanges with the whole world.

With output increasing at an annual rate of between 6% and 8%, China will soon become one of the world's biggest markets. This has been well understood by the

political and business leaders of China's present-day principal trading partners, Japan and the United States, as witnessed by the recent visit of Prime Minister Nakasone, to be followed by that of President Reagan at the end of this month.

Today the European Community holds third place among China's trading partners, the volume of trade constantly increasing since it tripled in 1978, the year of the conclusion of our trade agreement. While our 'third' place is a respectable one, we should be clear that our trade is far below its potentialities.

After an initial period of difficulties, China made a great effort to establish favourable conditions for foreign economic cooperation, establishing special economic areas, agreeing to the possibility of joint ventures, adopting special legislation which permits foreign investment and, most recently, acceding to the protection of intellectual property.

Against such a background, the Community institutions and European firms are able to participate more actively in various programmes of cooperation with China; this is so particularly in the energy and raw materials sectors (petroleum and coal), in the construction of nuclear power stations, in electronics supplies, and even in agriculture — a sector for which the Community should study the possibility of concluding a long-term agreement for the supply of agricultural produce to China.

Matters are more complicated where cooperation between the EEC and China in the textile sector is concerned. While it is true that China is asking for a relatively large increase of its exports to the Community, we should bear in mind that China — unlike other countries which export textiles to the Community — is a supplier primarily of raw materials and semi-manufactured products which are needed by the Community's textile industry.

Besides, when we look at the problem of Chinese imports into Europe, whether in textiles or raw materials (for instance, coal), we should not forget that future Chinese imports from Europe will to a large extent depend on China's foreign-currency assets earned by Chinese exports to the Community.

Enormous possibilities exist for the development of economic and trade relations with China; but that development should also aim to strengthen political cooperation. The present Chinese leadership is developing an active and independent policy based on the five principles of peaceful coexistence and on total independence from the super-powers, opposing 'hegemonic' tendencies wherever they may arise.

In pursuit of this policy, China seeks to collaborate closely with other countries and more particularly with the European Community, whose international importance it underlines. By its policy, China contributes substantially to the bipolarization of the world and hence to the reduction of international tension.

Pelikan

When we consider that the European Community is one of the world's strongest entities while China has in absolute terms the world's largest population, we can see that the development of cooperation not only in the interest of the economic prosperity of both these partners but also of peace in the entire world.

(Applause)

President. — Ladies and gentlemen, it is much to be regretted that our agenda is so heavily loaded and that such an important subject should have to be dealt with in a night sitting.

Mr van Aerssen (PPE). — *(DE)* Mr President, I know that you too are giving some thought to our structures. There are now three reports before us, concerning the Andean Pact, China and relations between the European Community and the EFTA countries. These are vital questions for our citizens and also for the visitors in the galleries. They know that their future is at stake. Thank you for stressing this once again.

President. — Mr van Aerssen, you appreciate that the agenda is not the responsibility of the present occupant of the Chair but is the subject of a proposal drawn up by the political group chairmen for submission to a vote by the Parliament.

Mr Denis (COM), draftsman of the opinion for the Political Affairs Committee. — *(FR)* Mr President, coming just after the visit by the European Assembly's delegation to China, our debate on cooperation with our partners appears particularly timely. The looked-for cooperation is with a country which counts, and will count more and more.

Three matters have been dealt with in the opinion adopted by the Political Affairs Committee on the report of the Committee on External Economic Relations whose proposals should receive Parliament's assent.

First, we have mutual interests. This country, which represents one quarter of the world's population, means to carry through its modernization and development, after the recent upheavals. Already notable results have been achieved, including for example an industrial growth rate of 8 % on average. Their efforts are also borne out in their success in the highly sensitive area of self-sufficiency in food.

Whilst emphasizing its commitment to independent development, China particularly needs to cooperate with the industrialized countries if it is to modernize.

The EEC, for its part, needs to fulfil its huge export potential, particularly in the context of the economic crisis. The deepening of relations between the EEC and China is also a contribution to a more universal cooperation which meets the requirement of a new international economic order. So desirable a development can only advance world peace. The Chinese

leaders emphasize that their country's foreign policy is founded on what they call the five principles of peaceful coexistence. The re-establishment of foreign relations is taking place in a spirit of diversification. China has opened a dialogue both with the EEC and its Member States and with the non-aligned countries and others, the United States for example, while at the same time developing its economic relations. A series of high-level political exchanges are also taking place. Thorny issues include, in particular, the problem of transfers of technology, arms sales to Taiwan, and more generally the question of the two Chinas, which, as everyone knows, is of fundamental importance to our Chinese partners.

In relation to the USSR, a process of normalizing relations has begun, together with a certain development of trade relations. Political talks are in progress at a higher level which have reportedly thrown up differences on three questions in particular: the level of armed forces on the borders, Afghanistan and Kampuchea.

The second area: it can be said that cooperation between the EEC and China corresponds to a common concern, that it is only in its early stages and that there are good prospects for the development of relations. After the most recent exchanges of parliamentary delegations, this is confirmed by the visit of the Commission President and by consultations in the last few days, in particular on the occasion of the visit to Europe of the Chinese Foreign Minister. Mr Cheysson, President-in-Office, was able to point to 'the politically exemplary conditions of consultation'.

The third and last area: all this goes to show how desirable it is, on the European side, to lend a new impetus to relations between the EEC and China. This has led the Political Affairs Committee to recommend the strengthening of existing political cooperation and the development of exchanges, notably at our own parliamentary level. It rightly notes the EEC's delay in relation to its competitors in trade with China, as the report by the Committee on External Economic Relations points out. This calls for measures capable of sparking off a more sustained rate of activity. We all know the exceptional political importance attached by China to matters relating to its territorial integrity.

With regard to the questions of Hong Kong and Taiwan, we may note the Chinese Government's concern to settle these problems on the basis of peaceful principles. The Political Affairs Committee could only applaud this attitude. Likewise, it cannot but welcome the positive attitude taken by each of the ten Member States, by the Commission and by the Council, in establishing the EEC's diplomatic relations exclusively with the Government of People's China, with due respect for its sovereignty and territorial integrity.

Denis

Mr President, the majority of the Political Affairs Committee considered it necessary to reiterate in this report the concerns expressed in the resolution of Parliament on human rights around the world, as far as violations of such rights in China are concerned. The rapporteur feels bound to add that China officially responded to the motion for a resolution by rejecting it as interference.

It is with this in mind that it seemed to me futile to wish to subordinate to what our partners see as a political condition the impulse towards a mutually beneficial and high-potential cooperation.

To return to the opinion of the Political Affairs Committee, I would conclude by saying how promising relations between the EEC and People's China appear to be. Beyond the specific characteristics of the developed countries of Europe and of China within the Third World lies the image of the world's diversity as it is today, diverse in social and political terms, diverse in its economic development and diverse in the richness of its civilizations.

Mrs Desouches (S), *chairman of the Delegation for Relations with the People's Republic of China.* — (FR) Mr President, the EP-China Delegation, of which I have the honour to be chairman, has just completed a mission of one week in China at the invitation of the Chinese authorities, and I should like to avail myself of the opportunity provided by the debate on Mr Pelikan's report to convey to you the opinions and impressions formed by the delegation.

First of all, I should like to stress the lavishness of the welcome we received, which, I feel, was meant not only for the Delegation chairman but for the whole of the European Parliament as an expression of the wish of the authorities of the People's Republic of China to strengthen their country's links with this Parliament. I should like here to thank once more the representatives of the People's Republic of China.

In the second place, the Delegation was given an opportunity of having long talks with responsible members of the Government, the Assembly and the Permanent Committee, including the Vice-President of the Republic, the President and Vice-President of the People's National Assembly and a vice-premier, not to mention prominent persons from the regions and provinces whom we met during our travels.

During these discussions, various views were expressed, some of which are already familiar but nevertheless, I think, worth recalling. The People's Republic of China considers that united and strong Europe is the surest guarantee of world peace, since at present it is the only power capable of intervening between the two blocs. I have already had the occasion to say this in this House, but I think it is worth repeating.

Furthermore, China decided last year to give the European Community priority in its external economic relations. In fact, the Chinese authorities evinced a

desire to establish a certain balance *vis-à-vis* their relations with the United States, whose attitude on the Taiwan question they find disturbing. Indeed, it may be observed that there is scarcely any conflict of interests between the EEC and the People's Republic of China, for their respective markets are in general complementary and their relations are now of the best.

The People's Republic of China wants to develop its trade relations with the EEC, and the signing of the textile agreement is a gratifying event. Nevertheless, the Chinese authorities are displaying great caution. They are anxious not to accumulate debts, and this implies that China's foreign trade has to remain balanced — that is to say, they have to sell in order to be able to buy.

One may ask what observations we were able to make with regard to the present situation in China. To any observer, it is obvious that China is an immense country in full course of development. To those of us who had had the privilege of previously visiting this country, there was an evident improvement in the standard of living, to be noticed not only in better housing but in the way people are dressed and the supplies of goods in the shops, including foodstuffs and manufactured articles. Last year, the Chinese economy registered an increase of 7 %, the increase being greater in industry than in agriculture. The Chinese authorities now want to maintain this rate of growth until the year 2000, and this implies a fourfold increase in the volume of production. It is a bold but, I think, not impossible bid, for the authorities are taking a very pragmatic approach and envisage having recourse to substantial resources to make this growth possible. In particular, the People's Republic of China is largely resorting to foreign capital and encouraging the installation of foreign firms or of undertakings with mixed capital.

The Chinese Government is perfectly aware that plans of this kind may encounter some hesitation or reluctance, and it has taken, or intends to take, certain steps calculated to interest investors by guaranteeing a certain level of profitability and also security. We found that the mixed undertakings now being established in China are financed by capital from Australia, Japan or Hongkong. There are cases where the Community is involved but they are less frequent, and this would certainly be worth some close study.

In conclusion, I would say that the report we are now debating is a timely one. It would be a good thing if the European Parliament were to adopt it and it found an enthusiastic reception in the press and in public opinion. Europeans must be made aware of the fact that China is seeking a *rapprochement* with the European Community and that she is devoting herself with energy and intelligence to the improvement of her economic and social well-being by making an ever wider appeal to her friends, whom she recognizes by their unambiguously cooperative attitude.

Desouches

It is in the interest of Europeans to cooperate with a faithful and promising partner, one that displays admirable qualities and represents the biggest nation on earth. I call upon the Community and the European Parliament to develop friendly commercial and economic relations with the population of the People's Republic of China.

(Applause)

Mr Battersby (ED). — Mr President, I shall be speaking firstly on my own behalf and secondly on behalf of Sir Jack Stewart-Clark, who, unfortunately, has had to leave.

Having just returned from China as vice-chairman of the EEC-China Parliamentary Delegation. I should like to congratulate Mr Pelikan on his excellent and timely report. As the chairman has remarked, in China the delegation was treated with the greatest kindness and warmest hospitality. We re-established our relationship with old friends, consolidated the bonds of mutual trust and respect between us and made many new friends. This was my fifth visit to China since 1965. I have returned this time with the strong impression that our trade with China is on the threshold of a quantum expansion, especially in the fields of transport infrastructure, energy, telecommunications, oil exploration, mining and, possibly, urban infrastructure. The atmosphere and time for wider and closer commercial and political relations are ripe. We must grasp this great opportunity while the tide is flowing in our favour. We must, however, recognize that there are issues, as there always are in inter-State relations, which must be treated carefully and with sensitivity by both parties. It is therefore vital at this crucial stage in our relations that every care be taken to ensure that nothing is done to damage in any way the increasingly important political and commercial links developing between the Community and the People's Republic of China which are so essential for the future prosperity of both parties and the maintenance of world peace.

I shall now speak on behalf of Sir Jack Stewart-Clark. Mr Pelikan's well-written and thoughtful reports shows clearly how much the Chinese economy has developed under the relatively enlightened leadership of Deng Zhiaio Peng. I want now to concentrate on just one aspect of trade with China, that concerning Hong Kong. China is Hong Kong's largest source of imports. These amounted to £3.9 billion in 1983. Hong Kong's domestic exports to China amounted to £550 million in the same period, an increase of 62% over 1982. Hong Kong is one of the major points of access for Community trade with China. Trade through Hong Kong in 1983 amounted to £5.1 billion, and China was the major source and destination of that trade. Hong Kong also provides at least one-third of China's foreign exchange. She is now pre-eminent both as a financial and communications

centre. In China, we have seen the opening up of successful new enterprise zones around Canton, and shortly hope to see the building, using European Community equipment, of a £5 billion nuclear power station which will deliver 70% of the energy it generates to Hong Kong. In Hong Kong, the railway to the border has been electrified and modernized. The third largest container port in the world has been created.

As everyone knows, the British and Chinese Governments are negotiating for a settlement of the political future of Hong Kong which shall be acceptable to both sides. It is clearly of the greatest importance that the stability and prosperity of Hong Kong are maintained, so as to ensure continued, long-term international investment and confidence in Hong Kong. In supporting this resolution I call on the governments concerned to ensure this takes place.

Mr Kyrkos (COM). — *(GR)* Mr. President, very briefly I would like to add our voice too, to the general sentiments in the House favouring the development of relations between the Community and China, a development that became possible once interest in it had been declared on both sides. We esteem highly these mutually beneficial relations, which also feature in the agreements signed between the EEC and China, and in other, forthcoming agreements. Thus, we consider the first contact at Ministerial level between the Community and the People's Republic of China to be a good start. These relations, within the frame work of a cooperation between equals, are helpful to the development of a new economic order between the various countries and groups of countries in the world.

For these reasons the Internal Communist Party of Greece, believing in the Community's autonomous role on the international economic and political scene, and esteeming the Chinese Republic's potential but also its careful and effective efforts, will vote in favour of the proposal put forward by our colleague Mr. Pelikan.

Mr Israël (DE). — *(FR)* Mr President, I had the good fortune to visit China in August 1981, and I welcome the presence here, in this House of Mr Edgar Faure, who was the first Frenchman to re-establish relations with China.

Mr President, it seems to me that the European Economic Community and the European Parliament attach particular importance to China's independence. For this immense country, independence means the possibility of preserving its cultural, economic and, I would even say, territorial integrity in the face of threats confronting it from outside. These threats are very real and have assumed more definite shape with the deployment of Soviet SS-20 rockets directed against the heart of this immense and yet so vulnerable country.

Israël

There are other dangers to which China is exposed. The invasion of Cambodia by Vietnam, supported by the USSR, is a permanent menace, not only to Cambodia's independence but also to China herself.

The truth of the matter is that we are supporting China's efforts to protect the independence of all the peoples of what used to be known as Indochina. We French are particularly attached to the cultural existence of these countries of Indochina now subject to an intolerable pressure from outside, and in this respect China is indeed our ally.

The economic ties between China and the European Community have to be encouraged, and I congratulate Mrs Desouches and the entire delegation on their efforts to portray a possible future for these economic relations. It is noteworthy that the peasants are finding once more their freedom of initiative, that petty tradesmen are recovering a modicum of independence.

Unfortunately, Mr President, ladies and gentlemen, there remains one sphere in which the situation gives us cause for real misgivings. We have the feeling that in a country with a population of 1 000 million inhabitants the question of human rights, which means the rights of the individual — I repeat, the rights of the individual — is improperly treated — is improperly, wrongly, treated. In this tremendous country, there is the temptation to consider a thousand million inhabitants as being more important than the individual, more important than a single individual lost in the depths of the country's most remote province. To this I say, no! The European Community believes that one man is of as much importance as an entire society, that one man's well-being is as important as that of humanity as a whole. We appeal to this great country to bear in mind that it is made up of 1 000 million individuals, each one of whom, taken individually, is entitled to freedom and the respect of human rights.

(Applause)

Mr Leonardi (COM). — *(IT)* Mr President, we should not let the occasion pass without a few words of friendship for the People's Republic of China and of appreciation for Mr Pelikan's report. We have always believed that the two large continental areas, the EEC and China, located as they are at the two extremities of the Euro-Asian continent, have a mutual interest in the development of a multi-polar world; therefore opinion in the party which I here represent is clearly and unanimously in favour of the policy pursued by the People's Republic of China.

I should only like to point out that with the right Community approach, our relations could be considerably developed. For instance, there can be no doubt that if the Community had a common policy on telecommunications relations of individual firms with the People's Republic of China could flourish.

Secondly, and to close, I should like to stress the need to realize the advantages of establishing a permanent representation of the Commission in China, similar to that which is been set up in Japan. This would give us better knowledge of the market and would help European small and medium-sized enterprises to get a foothold as well as giving young entrepreneurs the opportunity to learn on the spot both the Chinese language and the country's market.

Mr van Aerssen (PPE). — *(DE)* Mr President, I should like to thank Mr Pelikan in particular and Mr Leonardi for what he has just said. What we are discussing here is the strengthening of cultural and intellectual relations between our continent and China. We must continue to strengthen these relations, taking as our model Marco Polo, the Italian who took spaghetti to China, which is now bringing it back to us.

We fully endorse Mr Pelikan's report. We have been wrestling with it for two years, and we have found the right solutions. I believe Mr Pelikan will also welcome the fact that we have together considered the position of our Chinese friends in Taiwan. In other words, we have asked ourselves how we can compensate this trading partner of the European Community without interfering in the internal problems of Chinese politics.

Mr Pelikan, thank you for saying that it is not just a question of China and Europe undertaking major projects together: as Mr Leonardi has said, we must help small and medium-sized firms in China and set up joint ventures. This is a tremendous opportunity for undertakings in Italy, Germany and China. We must, as it were, get down to the grass roots, to the level of the people, where we can decide something.

We see energy as the crucial question. With its technical know-how on the gasification and liquefaction of coal, which we have developed under our joint programmes, and with the aid of China's natural resources, the European Community could achieve something really worthwhile in the next ten to fifteen years. I agree with what Mr Leonardi said about telecommunications. I have just had the honour of presenting a report on the European satellite for the Andean countries on behalf of the Committee on External Economic Relations. I believe we could set up something similar with China.

Raw materials have already been mentioned, and I do not need to discuss them further. As the European Community, does not have any raw materials of its own to speak of, it must ensure that it pursues a diversified strategy and finds friends to support and help it. Microprocessors cannot be made without vanadium, titanium and other precious metals. We have friends in China who are prepared to join with us in this respect.

van Aerssen

China's culture is the oldest in the world, and we Europeans have a moral obligation to tell our young people that this link with China is not just a question of money, trade, raw materials and energy: it is also a spiritual link. This will be very clear to the Chinese and also to many Europeans. They will be grateful that there is a European Community capable of building a bridge of this kind for 270m people.

Mr Giolitti, Member of the Commission. — (IT) Mr President, on behalf of the Commission I wish to join in the appreciation which I think has come from all quarters of this House for Mr Pelikan's really interesting report on this very important subject. We find the report a mine of useful assessments, proposals and suggestions. It provides us with an exhaustive description of the political and economic situation in China, of the country's foreign policy, and sets out clearly the present state of economic and trade relations between the Community and China in the overall context of China's policy of opening up to the outside world.

Mr Pelikan, the rapporteur, is right to draw the attention of Community official and private circles to the need for a more active Community presence on the Chinese market in order to meet the challenge of American and Japanese competition. The Commission, of course, has always accorded particular attention to political, economic and trade relations with the People's Republic of China.

Mr Pelikan's report contributes very usefully to what we have been doing — and intend to develop further — to promote all aspects of relations with the People's Republic of China.

On 29 March last, the Commission initialled in Peking an additional protocol to the Textile Agreement between the Community and China. This extends the life of the agreement until 1988 and makes some adjustments of a legal and economic nature to the provisions of the 1979 version. Renewal of the agreement will contribute to the growth of trade between the Community and China.

At the invitation of the President of the Commission, Mr Gaston Thorn, the Chinese Prime Minister will be visiting the Commission on 5 June 1984. His visit will constitute signal proof of the success of our efforts to improve and strengthen relations between the Community and China.

The Commission would like to take this opportunity to thank Parliament for its steadfast support for its various efforts to develop economic and trade relations with China.

IN THE CHAIR: MR NIKOLAOU

Vice-President

President. — The debate is closed. The vote will take place at the next voting-time.

17. Regional problems

President. — The next item is a joint debate on four reports drawn up on behalf of the Committee on Regional Policy and Regional Planning:

— by Mrs Boot on the strengthening of transfrontier cooperation (Doc. 1-1404/83);

— by Mr De Pasquale on regional problems in Greece (Doc. 1-84/84);

— by Mr De Pasquale (Doc. 1-86/84) on

the proposal from the Commission to the Council (COM(83) 649 final — Doc. 1-1159/83) for a regulation amending Regulation (EEC) No 724/75 establishing a European Regional Development Fund;

— by Mr Griffiths on the role of the regions in the construction of a democratic Europe and the outcome of the Conference of the Regions (Doc. 1-91/84).

Mrs Boot (PPE), rapporteur. — (NL) Mr President, I should like to say something about the inclusion of the report on transfrontier cooperation between frontier regions in today's agenda. It has been included so that it can be referred back to the Committee on Regional Policy and Regional Planning and then debated during our May part-session. This has been arranged with the Bureau and, as you know, my report is on the agenda for the May part-session. The groups have not yet had an opportunity to table amendments.

Why do I want the report referred back to committee? Because we have received so much fresh information with a bearing on what is a very important subject for the elections — cooperation at the frontiers — that as rapporteur I am asking for this report to be referred back to the Committee on Regional Policy and Regional Planning, so that it can be debated in May.

President. — Mrs Boot, I take note of your comment. Of course, in accordance with Rule 85 of the Rules of Procedure you have the right to call for your report to be taken back to the committee.

I remind Members that we only have the May part-session left. Despite this, and in accordance with your wishes, I put the matter to the vote. I call for one colleague to speak in favour of our proposal, and one to speak against it.

Mr van Aerssen (PPE). — (DE) Mr President, I myself come from a frontier region and know that, without a reasonable strategy on the frontier regions, a united Europe will not be so easy to achieve. But if we succeed in linking the regions adjoining the frontiers between the Netherlands and Germany, between France and Germany, between Italy and France, we

van Aerssen

shall have taken a great step forward. On Monday — and I consider this very important — a number of oral questions led to a debate on this subject, during which the Commission made various statements on the strategy that is being pursued. I believe these statements must be incorporated in Mrs Boot's report, and we need another two weeks to make the necessary preparations before the next part-session.

Mr Hutton (ED). — Mr President, I am opposing this proposal to take the report back to committee on the following grounds: a rapporteur was appointed on 28 October 1980. It has been discussed in the committee six times. In addition we have had two public hearings. It has been on the agenda of the Committee on Regional Policy and Regional Planning 17 times and the rapporteur has not turned up to discuss it. We have had this report in the Committee on Regional Policy and Regional Planning long enough. It is time this Parliament debated it and got it out of the way.

Mrs Boot (PPE), rapporteur. — (NL) Mr President, I find it deplorable that more people have to be here before we can take a vote. I would ask you to take the vote tomorrow morning, when Members will be here in sufficient numbers.

President. — I am sorry, Mrs Boot, but the vote has taken place and in the President's view your proposal was rejected. I wanted to be absolutely correct, and therefore asked for that result to be checked by electronic vote.

(Parliament rejected Mrs Boot's request by electronic vote)

Mrs Boot (PPE), rapporteur. — (NL) Mr President, as none of us had an opportunity to table amendments before this part-session, I request that the debate on this report be postponed until the May part-session, regardless of whether it is sent back to committee.

President. — I am very sorry, Mrs Boot. Unless your report is debated this evening it will not be debated at all during the present parliamentary session.

Mrs Boot (PPE), rapporteur. — (NL) Mr President, let's be reasonable.

Mr De Pasquale (COM), rapporteur. — (IT) Mr President, it is very significant that we should be discussing in this joint debate the regional problems of Greece. Indeed, I would say that the subject has found the perfect place on the agenda. The Committee on Regional Policy and Regional Planning is today presenting to the House its opinions on legislative texts intended to open up new possibilities of development of Community regional policy. When

we debate the problems of Greece, therefore, we shall have an immediate opportunity to test in the flesh, so to speak, in application to the economic and social realities within the Community, the aptness of the regulations proposed by the Commission.

I shall not have time to deal in detail with the motion for a resolution. But a mere listing of some of its points will bring home to you the seriousness of Greece's regional problems: the huge disparity in incomes compared with the rest of the Community; the isolation of its peripheral and island regions; the underdeveloped domestic transport infrastructures and poor communications with the rest of Community territory; the backwardness of the industrial structures; an agriculture that is for the most part still backward and which most certainly does not enjoy adequate Community protection as regards market organization.

In Greece, the problem is undoubtedly more acute; but its causes are the same as are to be found in Italy's Mezzogiorno and to some extent in the South of France.

We have been talking for years about the Community's Mediterranean dimension, but the 'Mediterranean challenge' is yet to be taken up. We said as much when, a fortnight ago, we voted the resolution on integrated Mediterranean programmes.

A new impetus must be given to all the Community policies. Our committee was able to convince itself of this need when it went to study some of the most difficult situations on the spot. The resolution we are tabling today has its direct origins in the fact-finding and study mission to Greece we undertook in the autumn of 1982 when we were able to see for ourselves the problems that arise from remoteness, rural underdevelopment, insularity.

One thing must be made clear. All the common policies: agricultural policy, but also industrial policy and transport policy, must tackle the problems of the Mediterranean areas and first among them, I would say, of those of Greece. We are not asking for privileged treatment, nor are we asking that large sums of money be scattered blindly from the Community's coffers. What our committee asks in its resolution is that the Community should be a political agent that acts equitably in every area of its territory.

The Italian Mezzogiorno and Greece also have a right to participation in the Community identity.

With reference to these considerations I am asking the House to vote our text which is both balanced and consonant with all the resolutions this House has voted in the matter of regional and structural policy. As for the amendments which have been tabled, I would say that they all present a certain interest. But we must be careful to preserve the organic concept and balance of the resolution.

De Pasquale

I would therefore appeal to all the authors of amendments to facilitate the Assembly's deliberations by withdrawing them if at all possible.

I pass now, Mr President, to the question of the reform of the Regional Fund. Despite the discouraging experience of recent years, we still hope that a decision on the reform of the Regional Fund can be made before the European elections. Frankly, the hope is a very tenuous one. For there is no escaping the conclusion that many governments, and perhaps a considerable section of the Community bureaucracy, are still attached to the present system of scattered, uncoordinated aids, subject to no criteria, no strategy, no planning.

That is the obstacle on which the efforts of Parliament and also those of the Commission have foundered until now.

The Council has so far refused to turn the Regional Fund into an efficient instrument capable of equilibrating old and new imbalances, capable of coordinating and concentrating all the efforts, and the scarce means that are available, in those regions that need a new impetus for their economies, the regions where most of the unemployment is to be found.

We are doubtful whether such obstinate refusal as we have witnessed for four entire years can be changed in the space of a few weeks. Nevertheless, despite past disappointments, we have done our best to enable the Council to make the decision at the eleventh hour, if only it will.

The Committee on Regional Policy and Regional Planning therefore approves this, the nth proposal for a regulation submitted by the Commission, but with some modifications which aim to preserve the essence of the innovations voted by Parliament in 1982 and 1983. The amendments adopted by our committee which we submit for your consideration aim :

First, to restore to the Council the function that is proper to it, that is to lay down periodically directives, guidelines, strategies and, priorities of overall regional policy, so that both the Commission and the Member States can have a reliable framework of reference for their measures ;

Secondly, to give the Commission full responsibility for the management of the Fund in consultation with the Committee on Regional Policy, on which the Member States are represented and under Parliament's control ;

Thirdly, to establish flexible quotas, 'brackets' which can best ensure that ERDF interventions shall be concentrated in those areas and regions which suffer most from historic developmental backwardness and from more recent phenomena of economic crisis and industrial decline ;

Fourthly, to maintain the principle that such areas and regions be identified, and the gravity of their

problems measured, by reference to objective Community criteria established in relation to the situation in the Community as a whole ;

Fifthly, to leave enough scope for 'Community' programmes and Community initiatives that can be more than symbolic gestures, as they have been heretofore ;

Sixthly, to achieve greater concentration of resources in financial and quantitative terms by increasing the rate of participation by the European Regional Development Fund ;

Seventhly, to at least try to coordinate the activities of the various Funds and the various national policies ;

Eighthly, to ensure the additionality of the Community contribution ;

Ninthly, to develop direct participation by the regional and local authorities in the framing and management of programmes ;

Tenthly, to provide more scope for intervention in favour of small and medium-sized industrial undertakings and of the crafts.

These modifications have been adopted by the Committee on Regional Policy and Regional Planning. I am pleased to be able to tell you that they concur with the suggestions we have received from the Committee on Budgets which, indeed, reaffirm the views which Parliament has expressed on many occasions and by large majorities.

I ask you, therefore, ladies and gentlemen to adopt them now.

(Applause)

President. — Ladies and gentlemen, I would like to clarify the situation since it is apparent that there is confusion about what will happen following the House's rejection of the proposal to send Mrs Boot's report back to the committee, and following her own refusal, after this rejection, to speak and express her views as rapporteur.

I repeat that the Boot report remains on the agenda. Any colleague who wishes to refer to Mrs Boot's report within the scope of the common debate on the four reports may do so, and tomorrow there will be a vote covering Mrs Boot's report as well.

Mr Griffiths (S), rapporteur. — Mr President, the report that I am presenting on behalf of the Committee on Regional Policy and Regional Planning is very much the child of the conference which the European Parliament organized in Strasbourg last January.

At that conference, there were almost 300 elected representatives from all 10 Member States of the Community and from the two applicant countries. We spent several days discussing a number of aspects of

Griffiths

regional policy within the Community. We looked at the democratization of regional policy, involving elected representatives at all levels in Member States and in the Community. We looked at the relationship between the regions and the institutions of the Community, the attempt to balance the development of the European regions, particularly the current regional crisis and the way in which it is severely affecting so many parts of the Community. Finally, we looked at issues relating to regional autonomy and decentralization.

The discussions we had are very important in the light of the proposals to amend the regulation for the Regional Fund, because according to the changes now being proposed, we are to move on to regional development programmes. If those programmes are to be successful, it is essential that the local and regional authorities, which will be responsible for implementing large parts of them, should be directly involved in their formulation. The report which I present is, as I have said, very much a child of this conference.

We want to see the strengthening of local autonomy. We want to see the strengthening of regional organizations within the organizations created by elected representatives at the regional and local level, because at the moment the local authorities at various levels are very well organized. The regional authorities are not so well organized nor, of course, are they as prevalent as the local authorities. You can find local authorities in all parts of the Community, but regional authorities are not so widespread. It was therefore the view of our conference that the role of the regional organizations needed to be strengthened. Once this was done, and the consultative committee properly enlarged and reformed to take account of the views expressed at the conference, then it ought to be given official recognition by the Commission so that when the Commission was presenting proposals which affected the regions, they would officially consult this organization.

We hope that Parliament tomorrow will vote for this report and that on the eve of the European elections we shall send out a message to elected representatives at the local and regional level that we want them, too, to be fully involved in the work of this Community in trying to create a regional policy which will really help the regions for the first time. We hope that the next five years of the European Parliament will mark a breakthrough in the assistance given to those regions which at the moment are so desperately in crisis because of the current recession that this world is suffering.

(Applause)

Mr Pantazis (S). — *(GR)* Mr President, the procedure for defining the aims of the European Regional Development Fund should take special note of the situation of women in Europe, in three sectors:

employment, professional training and social infrastructure.

The directives of the proposed Regulation establish, as a principal aim of the development programmes, the maintenance of existing jobs and the creation of new ones. Within this framework special importance should be assigned to the sector of women's employment, which is a separate social problem. The support envisaged for developing economic sectors such as the new technologies, but also for traditional crafts, should be concentrated on those units of production that preferentially promote employment for women. In the sector of employment, actualization of the indigenous potential of the regions should be promoted on the basis of equal treatment for men and women.

As for professional training, we consider it essential to make a special Community commitment in the social sector. It is well known that the modernization of agricultural structures in the Mediterranean, and especially in Greece, will result in the release of unskilled labour potential. It is therefore necessary to take appropriate measures to provide professional training so that women agricultural workers may become involved in the processing and marketing of agricultural products, and in regional and local services of applied development research. With professional training women agricultural workers will also be able to participate, via local and regional vehicles, in the implementation of the development programmes. The special nature of the problem of working women imposes the need for a special social infrastructure to include nurseries, and educational and communication facilities distributed as necessary among the less well-developed agricultural regions. So far as Greece is concerned, the large cities must not be neglected when applying these measures. Athens provides a characteristic example of a city in which large numbers of women are at work, while at the same time there is no provision of basic facilities for working mothers. For this reason we do not agree that the Athens and Thessaloniki regions should be excluded from the ERDF's aid in the infrastructural sector.

Finally, Mr President, let us not forget that the situation of women in Europe, instead of improving is becoming worse because of the social and economic problems faced by the Community today. We therefore think it essential to have a coordinated effort by all the vehicles of development, namely the ERDF, the European Investment Bank and the Mediterranean programmes, to provide a fair solution to the present-day problem of women's place in modern European society.

I ask you, colleagues, to support the amendments by Mrs De Valera and myself, put forward on behalf of the Committee of Inquiry into the Situation of Women in Europe.

(Applause from the Left)

Mr Kazazis (PPE). — (*GR*) First of all I would like to congratulate Mr De Pasquale for the sensitivity and understanding he showed concerning Greece's regional problems, in preparing the important report he has put before the House. Of course, I too would like to make some comments, probably by way of repetition of what the report contains. As the report itself stressed, and as is also known from other reports, the Greek regions are numbered among the poorest in the Community; indeed, the last survey carried out by the Commission confirms the situation in those regions. Greece's regions have certain characteristics which I shall mention indicatively, and not in a limitative way. Most of them are mountainous, insular, lacking in water resources, subject to difficult communications and high transport costs, with small and scattered conurbations, a low index of public investment, small and greatly subdivided agricultural holdings, a high proportion of underemployed labour potential, and a basic lack of infrastructural works, particularly in the social sector. To all these negative factors we must add the concentration of almost all socio-economic activity around the regions of Athens, and in part Thessaloniki. A further factor that hinders development in Greece is the policy pursued up to now in the sector of State investment. In Greece there is no specific policy to define priorities in the distribution of appropriations for public investment programmes. Moreover, lack of flexibility that arises because of the large number of works included in the programme several years ago, reduces the probability that these works will be completed within the scheduled initial time limits, and deprives the public investment programme of its chance to play a major part as a means for the government to exercise a regional policy.

Mr President, as Mr. De Pasquale also points out, the steps required to narrow the gap between Greece and the central regions of the Community will have to be supported by coordinated and extended action on the part of the structural funds. Many organs will be involved, and these will have to take account of the socio-economic structure of Greece's economy and of the financial constraints with which Greece is familiar, i.e. the limited capacity for absorption. This means that during implementation of the various measures envisaged by the various financing bodies, the proportion of the Community's participation and the selection criteria will have to take account of the realities in Greece.

Finally, I would once more like to refer to the recent resolution of 29th March, and ask Council to approve as soon as possible the integrated Mediterranean programmes, because these can make a very real contribution to solving some of Greece's regional problems.

Mr President, before finishing I would like to express my regret, as a member of the European People's

Party, for what happened in connection with Mrs Boot's report.

Mr Hutton (ED). — Mr President, the fact that such a debate on the Regional Fund regulation is being held in April 1984 is disgraceful. We, the Parliament, have already given our opinion when the proposal for the new regulation was first submitted, and the tardy way in which the Council has tackled agreement is to its shame and the Community's disadvantage.

So, now we have the son of the first attempt to revise the existing regulation. It is interestingly different, and I suppose we ought to admire the Commission for the skilful way in which it has exploited the deadlock in the Council and the instructions of the Stuttgart Summit. Here we see the non-quota section converted into Community programmes with an unspecified but increasing proportion of the Fund devoted to them. Here we see that instead of a single quota there are to be quota ranges. Here, too, the Commission has given itself much more power to decide on the rate of the European contribution. It is original, it is even imaginative and it might just be rather dangerous.

While I can admire the Commission's skill in grabbing the initiative, the new regulation leaves a number of questions hanging loose. The biggest problem that this regulation leaves for each member country is uncertainty. Unless the Commission can be much more specific about how it will operate the quota range, Member States cannot know where they will fall within it and therefore how they will plan their applications. How will, for example, the Commission take its decision on the cost of applications within the quotas? How does the Commission propose to judge increasing priority for Community programmes?

We will support this regulation, but with misgivings about the way it will be operated. We have tabled some amendments to improve it. We shall be watching carefully to see how the Commission resolves the dilemmas the regulation raises. If the Commission does not tighten up its plan considerably I can foresee another disgracefully long delay in putting this regulation into effect.

IN THE CHAIR : MR ESTGEN

Vice-President

Mr Amadou (COM). — (*GR*) Mr. President, the nature of the EEC and our experiences since our country's accession to the Community leave no margin for self-deception that within its framework there is any possibility of solving the critical problems faced by the Greek economy. On the contrary, as time goes by these problems become increasingly complex and acute, a fact that reinforces and justifies all the more our Party's position, that of the Greek Communist Party, in calling for our country to withdraw from the EEC.

Amadou

Nevertheless, so long as we remain within the Community, we wish to state our views concerning the matters raised by Mr De Pasquale's report. Though this report may show awareness of our country's regional problems, it proposes solutions that are even more limited than the restrictive and inadequate character of the Greek Government's memorandum. Of course, it stresses that the actions of the financing funds and measures must be coordinated, and that our country's regional problems should be central targets for the common policies. We agree about that, but — as we have stressed many times — the criteria employed by the various Community financing bodies and the developmental prospects they envisage do not respond to the realities of Greece's situation, and do not therefore deal positively with the weaknesses encountered in our country.

Besides, despite the declarations by their supporters, the integrated Mediterranean programmes do nothing to cover the secondary sector. In our view the cornerstone of regional development in our country is public-sector investment within the framework of a national economic plan. Regional motives have so far proved unable to attract private investors, and the very few investments made fall far short of the scale required, and are not directed towards sectors capable of solving the structural problems of Greece's economy.

In Greece today, whereas the cost of an investment is socialized and the profits private, investment by the private sector takes place on a very small scale. That is why there is an urgent need for public-sector investment, a thing, however, that is obstructed by the promonopolistic policies and regulations of the Community. There should also be deviations from some of the regulations governing competition, such as protection for newly-founded industries, acceptance of support for exports by SMU's, exemptions from production restrictions, etc. But in these respects too, the Community's policy is negative on the grounds that this interferes with the rules of competition.

In the case of our country the very acute regional development programmes could be dealt with by taking advantage of serious investment proposals by neighbouring Socialist countries. However, the Community raises many obstacles to this as well. Thus, withdrawal remains the only avenue of escape towards economic development in our country.

While avoiding self-deceptions concerning the furtherance of solutions to some problems, we members of the Greek Communist Party will vote in favour of the proposals in Mr De Pasquale's report because of the few positive points that it contains. These could be improved still further if the amendments we propose are accepted.

Mr Faure (L). — (FR) Mr President, ladies and gentlemen, on behalf of the Liberal and Democratic

Group I am very happy to deliver a very favourable opinion on the four reports that have been submitted to us, including that by Mrs Boot which I consider excellent, and I regret that she did not feel that she could support it herself. I would also point out that I have tabled some amendments to the report by Mr Griffiths which, however, are only intended to strengthen it.

There is a polarization between the regions and Europe, between regional policy and European policy. It is all the more easy for me to stress this fact inasmuch as in my own country, France, these two policies were launched simultaneously some time back, unfortunately by a government with which I am very well acquainted, since I myself was the head of that government. In the new perspectives opened up by present-day economic life and by modern democracy, the onward march of history makes it important that we should have this polarity between the regions and Europe, without in any way modifying or limiting the role of States and nations. The region is needed as a counterbalance to Europe from the point of view of economic prospects and possibly economic planning, as well as from the point of view of the quality of life and of that twofold objective of modern economy and modern democracy which is that every human being should be free to choose his own activity and his own place of residence. I speak at a time when in France the very serious situation in our own region of Lorraine sheds a particularly bright light on the importance of the regional factor and the link between the regional and the European factors. I feel that if this insight into the polarization between the regions and Europe had been acquired at an earlier stage, ways and means could have been found of altering the course of affairs or of the world in order to alleviate the social consequences.

In this very brief speech I should like to mention only two cases where it seems to me that the regions could play a model role. Firstly, Parliament, in adopting a report which I myself drew up, acknowledged the principle of youth exchanges, to which we gave the name 'the young people's circuit of Europe'. If Europe cannot simply come out and say that it is going to do away altogether with unemployment — for after all this would be rather Utopian — there is one thing that Europe can do. It can guarantee, by means of a plan that should normally cover the lifespan of the next Parliament, that is to say, a five-year plan, that every young person can have a first job in his own country, some initial work to start him off in life. It is simply inadmissible that Europe should stand by and see its young people start off their lives as assisted persons, as parasites. If we offer a young person employment for, let us say, nine months — and this is an idea that I was expounding recently in a region in one of our countries — then if at the end of that time the young person finds himself deprived of his job, he feels bitterly disappointed about it. If, on the

Faure

contrary, he goes from France to Germany, from Bavaria to Tuscany, from Italy to the Netherlands he can then freely admit that his first job only lasted nine months, and this job will have introduced him into adult life.

There is a second area where the regions can play a vital role, and that is in the utilization of surpluses, particularly agricultural surpluses. It is baffling to see the way in which national egoism leads certain people to indulge in such shabby trickery in balancing the books that our farmers find their incomes reduced at a time when millions of people in the world are dying of hunger. I have launched a pilot experiment in my region. I learned that Franche-Comté could, at its own expense, increase its production of dairy products by 1 %, when there are quotas, so that we could make the gesture of sending these products either free of charge or on the basis of long-term contracts to those countries that are afflicted by famine and want. I feel that the regions can take initiatives of this kind and that they are better suited than the nations or the Community to organizing food aid and making the necessary contact. It is a very happy coincidence that just now I was listening to an extremely interesting debate on China in which Mr Gérard Israël was kind enough to recall that 20 years ago I took the first step towards allowing China to resume its place amongst the nations. We were told just now that China needed food aid. Why could our regions not provide this? It would be an honourable action and at the same time a very useful action, *onestum et utile*.

It is in an awareness of this role to be played by the regions and of this polarity that I have tabled amendments seeking to bring about a permanent consultative conference of the regions, which could be, as I see it, the launching-pad for a senate of the regions of the Community.

(Applause)

Mr Pasmazoglou (NI). — (GR) Mr President, I would like to congratulate Mr De Pasquale for his excellent report, which presents an integrated statement of the problem of Greece's economic development, and especially that of regional development. I would also like to say that the comments Mr Faure has just made are worth noting.

Greece faces a regional development programme that falls within the scope of the European Community. I want to comment on this, but before doing so, I would like to express my faith that a planned policy of regional development in Greece, and more generally within the Community as a whole, is possible within the framework of the Community; in other words I do not subscribe to the comments made by our colleague Mr Adamou on behalf of the Greek Communist Party. No doubt there is need for a vigorous and decisive policy in the Community. The three comments I have to make are as follows:

Firstly, the matter of developing the Mediterranean south as a whole is of concern not just to the Community's Mediterranean peoples, but is also of vital interest to people in the north of the Community. Consequently, it is not a matter that concerns just us.

Secondly, it is necessary to implement systematically the entire policy embodied in the planned integrated Mediterranean programmes. These programmes seek precisely to ensure balanced development in Greece and other regions in the Mediterranean south, and particularly in the case of Greece this means that emphasis should be laid on the agricultural sector. In addition, special support should be given to small and medium handicrafts, industrial, commercial, professional and touristic undertakings. It is essential to do something about the very acute problems of Athens and Thessaloniki, as well as other Greek cities. These problems relate to urban communications and to the severe pollution of the atmosphere and the sea, which threatens the population's health and degrades its living and working conditions. Such are the objectives of the integrated Mediterranean programmes that must be set in motion as soon as possible, in accordance with the Commission's proposals and the report by our colleague Mr Kazazis, which was adopted by Parliament.

Finally, I would like to stress that particularly so far as Greece is concerned the matter is also linked to certain monetary problems. The overall development policy in Greece must be combined with the integration of our national currency, the Drachma, into the European Monetary System. Here again, I do not share the view of all those who think that Greece can develop outside the context of a market economy and the framework of the European Community. The path we can and should follow in the European Community proceeds via an open economic policy, and I fear that this is not widely appreciated, and that I must therefore stress it. This also means that the European Monetary System should take into account the special problems of all the Member States, so that the time will come when all the currencies of the Ten can be included in it.

Mr. President, the general conclusion is that the report we are debating today concerns not just Greece, but the Community as a whole, and I hope that Parliament will adopt it by a large majority, because it opens the way to development in the Mediterranean south, which is a general economic and political bulwark for the Community as a whole and for all Europe's peoples.

Mr Nikolaou (S). — (GR) Mr President, on the opportunity of the common debate on Mr De Pasquale's two truly excellent reports, I would like to refer to the ERDF and the Commission's new proposals relating to regional problems in Greece, which as we all know are common to the problems of southern Europe as a whole.

Nikolaou

Our country's retarded development is due to two factors: to its well-known chronic structural weaknesses, and to the catastrophic effect of the international economic crisis, which is of course more greatly felt by a country like Greece than one such as West Germany, for example.

For this reason we believe, in support of the Greek Government's position as expressed in the well-known Greek Memorandum, that dealing with the structural problems will require special measures, always of course within the framework of the Community's interests as a whole. In other words, it will require coordinated action by all the common development policies, and the concession of possible exemption from certain rules of competition in support of Greek industry and our export trade. Unfortunately I see no other way for Greece today.

As for the proposed new regulation governing the ERDF, let us not harbour delusions. This new regulation, in nominating industrial weakness as one of the two equivalent prerequisites for intervention by the Fund, radically alters the nature of the Community's regional policy. In fact, it creates — I should say deliberately — the danger of transferring the centre of gravity from the geographical concentration of interventions in favour of the poorer regions, to the industrial and social problems of the already over-developed North.

Besides, the common criteria relating to the priorities of the Fund's policies are not explicitly stated in the regulation, but are defined on the basis of procedures for harmonizing the general situation regarding regional development. However, if this harmonization is to work properly it must conform to the essential condition of convergence of the economies. Yet convergence of the economies can only be promoted if the standard of comparison applied is the average regional development considered at Community and not at national level. Thus, for example, the Athens and Thessaloniki regions would not be excluded on the grounds that they are the most prosperous within Greece, even though the *per capita* income in those cities is far below the average income in the Community as a whole. As for the new quantitative limits, the so-called cut-off levels, we consider that these should be based on the true socio-economic situation and not on the 1981 quotas, which in any case — at least for the time being — are devoid of any legal validity. We therefore express reservations about the adequacy of the increase from 11.5 to 15.6 %, which is not only unrepresentative, but also restricts the rights that Greece has had up to now to take up resources.

Finally, Mr President, we believe that alongside the Community's objectives, equal weight should be given to the respective national regional policies of Member States, and this at two levels. Both at the level of decision-making, and at the level of studying and imple-

menting the programmes. Otherwise, these programmes might conflict with the wishes of the very people they are supposed to be serving.

Mrs Boot (PPE). — (NL) I shall not discuss the report which the Secretariat has published under my name. But I shall discuss the proposals for the reform of the Regional Fund, this being the fourth time it is to be reformed.

The five-year life of this directly-elected Parliament seems to have begun and ended with a reform of the Regional Fund, the 1979 reform, ERDF II, and the forthcoming reforms, ERDF IV. In between we have had regular, I would almost say endless, debates on the proposals for ERDF III, on which a decision was unfortunately never taken in the Council. Now that we are discussing a new proposal, and one which I hope, Mr President, will reach the finishing line in the Council, I must say on behalf of my group that we are particularly pleased that this proposal from the Commission reflects the satisfactory aspects of all the discussions we have had. It seeks to cover the whole Community, and it will therefore have the support of the majority of my Group.

I should just like to refer to a few amendments that have been tabled by the committee and by the rapporteur, Mr De Pasquale. Perhaps the most important of these amendments is the one that says the Commission rather than the Council should have the decision-making power. We hope this amendment — No 17 — will be approved.

My group is divided over the rapporteur's amendment concerning the concentration of resources on the southern Member States, because it would result in a substantial reduction in resources for the Benelux countries and France. The vote on this will therefore be split.

My Group also approves the proposals from the Committee on Budgets that the Community nature of the European regional policy should be further strengthened by having the text of the regulation specifically state that Community programmes have priority over the joint financing of national programmes (Article 6(5) and Article 46).

We also welcome the amendment that says the Fund should continue to focus on helping regions that have fallen behind in terms of structural development. They must not take a back-seat to conversion in declining industrial regions. After all, the Member States themselves are in many respects best able to fund the restructuring that this involves. Furthermore, there are instruments apart from the Regional Fund for encouraging industrial conversion (Article 3).

My Group sympathizes with various amendments seeking to bring the Regional Fund regulation into line with the decisions of principle taken during the consultations on the British measures. In particular, they concern the proportion of assistance that should

Boot

be provided by the Fund. It will still be possible to exceed the normal 50 : 50 ratio of national to Community resources if it is clear there is a special need for this (Article 12(6) and Article 17(1)).

We also feel that the amendment concerning the repayment of subsidies wrongly paid to the Member States or in excess of what was their due would be a significant improvement, for example, where projects have been substantially cut back or not implemented in full. This would increase the transparency of financial management.

Finally, Mr President, I should like to congratulate Mr De Pasquale on the thoroughness and speed with which he has brought his work on these reform proposals to a satisfactory conclusion.

To conclude, I should just like to refer to Article 1 (3) of this proposal for a regulation, which concerns bilateral coordination between Member States of regional development in the frontier regions. This is one of those points that gives hope of fresh prospects. If these aspects are covered by a new regulation, it will in essence mean a different approach in both legal and administrative terms to the strengthening of trans-frontier cooperation.

Mrs Kellett-Bowman (ED). — Mr President, these reports before us this evening are of crucial importance to tens of millions of Community citizens in the poorer regions, and before I begin, may I pay a tribute to Mr De Pasquale, not merely for his excellent rapporteurship over the Regional Development Fund, but for his excellent chairmanship of the committee during this first very important period. He has been impartial, very fair and quite excellent.

(Cries of 'Hear, hear!')

Now last weekend I came across some old papers from 1973, before we joined the European Community, stressing that it would be impossible for the United Kingdom to join unless a regional policy and fund were established. This, I am happy to say, of course was done, but we and other countries assumed that the Regional and the Social Fund would develop into equal partners with the common agricultural policy and that the three policies together would help to redress the imbalances between the richer and poorer regions of the Community. Alas, they did not develop as had been expected. Had this happened, there would have been no need to bicker over the excessive share of the budget consumed by agriculture, nor over inequitable budgetary contributions, but it is useless bewailing what might have been. What we can usefully do is to see that the money made available for the Regional Fund is most effectively spent, and this we are seeking to do with the reform of the regulations.

We have always believed that the intensive regional problems measured not just in relation to individual

Member States but also in relation to the Community as a whole should be the prime consideration in allocating Regional Fund money. Until recently, we had no Community statistics on which to base our proposals, but with the publication of the first periodic report, and now at least a press summary of the second periodic report, we have some statistics on which to judge the relative deprivation of the different regions. The figures for the first time give the situation of the regions adversely affected by the decline of certain industrial sectors which are not by any means always in the richer countries and I regret that the area that I represent is in the least prosperous quarter with an index of only 80% of the Community average.

These figures confirm our view that concentration of Fund resources is essential if any impact is to be made on the problems. This concentration is what the Commission originally proposed, but the Council would not accept its proposals and the Commission put forward modified proposals. We are seeking to strengthen the Commission's new proposals by Amendment No 2. In Amendment No 12, we seek to increase concentration by raising the lower and higher limits of the range of aid proposed for the four poorest Members of the Community, but, like my colleague, we should like greater certainty from the Commission as to how in fact applications are supposed to be made for this money. We are also anxious that those at the grass roots — the local authorities — should have a say in what is proposed for the areas they serve. We also want to encourage voluntary organizations and have put forward Amendment No 23 to Article 17 to enable funds raised voluntarily to qualify as the necessary contribution on an equal footing with public finance.

Once again we stress, as we have done for the past 9 years, the importance of coordination between the funds. In my group, we are in general opposed to the setting up of any new funds and would consider it more efficient for new tasks such as Mediterranean programmes to be carried on by the existing Regional Fund. Balance between the regions and a balance between the social, regional and agricultural funds are essential to the growth of a harmonious Community, because until we diminish the disparity between the richer and poorer regions we shall never have the political will for the full cooperation within and between Member States which is essential if we are to build a better life for all our citizens.

(Applause)

Mr Kyrkos (COM). — *(GR)* Mr. President, I have just two minutes in which to speak on four reports, all of which contain a great deal of food for thought. Please forgive me, therefore, if I limit myself to a few comments regarding the report that deals with Greece.

Kyrkos

I am very happy that I, too, can echo the praises of our friend Mrs Kellett-Bowman for the Chairman of the Committee on Regional Development and Regional Planning, Mr De Pasquale, and it is rather significant that all shades of political opinion, from Conservative to Communist, have collaborated in an exceptionally constructive way on the Committee in question, to enable Mr De Pasquale to present the fruits of our labour today.

Greece, to which Mr De Pasquale's report refers — and I would like to congratulate him because he was able, in a few lines of print, to capture the essence of the problem — joined the EEC only recently, is the latest among the partners, and we must be frank in saying that our accession came as a shock. An underdeveloped or developing economy suddenly found itself part of a developed Community. It is quite obvious that to further the convergence of Greece's economy with those of the other countries and overcome the specific problems involved, there must be an enhanced flow of financial means from the structural funds, with implementation of the integrated Mediterranean programmes mainly directed towards the restructuring of agriculture at the levels and to the schedule proposed by the Commission, help in supporting industry, arts and crafts during a period of transition, and finally the taking of specific measures.

These requests, contained in the Greek Memorandum, were accepted at all levels of the Community. It must be admitted, however, that there is some distance between words and deeds, and I believe that the De Pasquale resolution will contribute to bridging the gap.

Colleagues, for us accession has meant entering a new arena of social endeavour. We categorically oppose any tendency to look to the Community for hope of, or responsibility for the development of Greece's economy. We believe that it is within the province of our own efforts to change all the retarded structures in our homeland, and that it is our country's responsibility to earn a new position within the Community and to bring to fruition the possibilities offered by our accession, with specific programmes, mobilization of the indigenous potential, decentralization, activation of the local authorities and social organizations, and by assimilating new technologies and modern methods in both production and management. We have a great deal to learn from you, and can benefit greatly from you, but we can also offer the Community our own special abilities, we too can contribute towards this common effort amidst all the conflicts, disagreements and convergences.

We believe that the De Pasquale report offers Parliament's encouragement in dealing with the Greek situation in particular ways suited to the case within the scope of the Treaties, and we will vote in favour of it.

Mr Pöttering (PPE). — *(DE)* Mr President, ladies and gentlemen, if Mrs Kellett-Bowman on the right of

the House — as seen from the Chair — is willing to pay Mr De Pasquale on the left of the House — again, as seen from the Chair — a compliment, all I can really do as a Christian Democrat, to be balanced, is to thank Mrs Kellett-Bowman and Mr De Pasquale for their commitment.

I do not want to talk about the De Pasquale report but the Griffiths report on the importance of the regions and their inclusion in the democratic process. I believe it is agreed here in the House — it certainly was in committee — that, if we are going to make the regional policy a pillar of European policy, we cannot decide on the regions' problems in Brussels, Rome, Paris or Bonn. We must involve the regions in the decision-making process.

How are we to do this? I will not deny that there have been major debates on the necessary instruments. On the one hand, it must be ensured that the Commission in Brussels can make direct contact with the regions, as we Members of Parliament and members of the Committee on Regional Policy and Regional Planning do. On the other, there must be a representative body able to discuss all the regions' problems with the Commission and the European Parliament at any time. It was agreed both at the Conference of the Regions and in committee that the Consultative Committee of the Local and Regional Authorities of the Member Countries of the European Community, the successor to the Council of European Municipalities, must be reformed, but that it should form the basis for permanent official contact between the regions, the local authorities and the European Community.

However, I am sorry to say we do not agree that Mr Faure's proposal for the establishment of a senate of the regions is the right way, because that would mean having something in addition to the European Parliament. We feel we must strengthen the European Parliament, increase its powers and enable the regions to have more influence alongside the Consultative Committee. All in all, we should ensure this representative body is organized very flexibly and take account of the interests of all concerned.

To conclude, I should like to comment on Mrs Boot's report, which has unfortunately — my Group very much regrets this — not been adequately debated in Parliament. This report on transfrontier cooperation is a good example of a report worthy of a wide-ranging debate, since the frontier regions face very practical problems. Take, for example, an emergency vehicle wanting to go somewhere in the other country, but unable to do so because the radio equipment it is carrying may not be taken across the frontier. Or think of someone who has been injured in an accident but cannot be taken to the nearest hospital on the other side of the frontier because that is not allowed. Or it may be that local authorities on either

Pöttering

side of a frontier do not in any way coordinate their regional planning, or industrial waste is discharged into a river on one side of the frontier and causes damage on the other.

We must have legal agreements here, preferably at European Community level. If this is not possible, there must be legal agreements between the countries concerned to ensure closer cooperation among the regions — especially the regions at the internal frontiers. The Euregio, the Ems-Dollart Region and other organizations are good examples of this. We should take an interest in these regions so that the local citizens realize there is a European Community, and here in Parliament we should pay far more attention to these problems.

(Applause)

Mr Papaefstratiou (PPE). — *(GR)* Mr President, I too would like to congratulate the Committee on Regional Policy and Regional Planning, and especially its Chairman and rapporteur Mr De Pasquale, on his comprehensive reports and the way in which he expounds a complex problem, i.e. how the Community can support the development policy of a Member State whose economy differs substantially, from the developmental and structural standpoint, from those of the other Member States.

We also agree completely with his reference to the importance of the economic bonds linking Greece to the other EEC countries in the sectors of trade and the free movement of capital and working people; bonds which are strengthened by the historical and cultural relations between Greece and Europe.

Mr President, I am convinced that the Community's three structural funds, and the other financial means afforded by the European Community, such as the European Investment Bank, the New Community Means and other capital derived in part from the budget, offer Greece additional potential for overcoming the present economic crisis. Activation of these resources is a driving force for the realization of indigenous potential, which must certainly be utilized to the full if the various regions in Greece are to be developed. The Community's support, together with that provided by the public sector, undoubtedly assist and vitalize the private sector so that economic recovery can be achieved. On this point I would like to refer to the Commission's positive reply to the Greek Memorandum. However, for reasons of historical truth it must be mentioned that the group to which I belong, the new Democracy, when it was in power, submitted a similar message to the Commission in August 1981, in which it asked for understanding, but also called for action in dealing with the special features of Greece's economy by virtue of the possibilities afforded by Protocol 7 of the Act of Accession.

Mr President, the rapporteur Mr De Pasquale has accurately assessed Greece's regional problems from the Community's standpoint, and in the proposed resolution he very correctly points out the choices that must be made. It is quite true that in the 40 months since Greece's accession to the European Community my country has received various amounts of economic aid, both in the form of subsidies for agricultural products and from the Community's Social and Regional Funds. However, this support will have to be increased until a balance is achieved between the economic developments of countries in the North and the South, and until that convergence of the economies of the EEC Member States is established, which all of us in Parliament have agreed is necessary.

Mr Griffiths (S). — Mr President, on behalf of the Socialist Group, I would like to endorse the thrust of all the reports presented on regional policy this evening and say a word or two about the reform of the Regional Fund regulation. As Mr Hutton pointed out, this is really the child of the first effort to amend the current regulation, and it demonstrates for everybody in this Parliament and in the Community at large the extreme difficulty there is in getting any significant change in the way in which the Community runs itself. Yet it is absolutely essential for the future well-being of the Community that the Regional Fund should be extended and that the resources available to it should be more heavily concentrated in the areas of greatest need. The Commission, recognizing the difficulties they faced with their first attempt to reform the regulation, have now tried to make a more nuanced effort in order to get the approval of the Council of Ministers. I hope that this time the Council will not prove as obstructive as they have been in the past.

There are, undoubtedly some problems, as Mr Hutton and one or two others pointed out, in the way in which the flexibility within these new rules might in practice lead to uncertainty, not just for Member States but also for individual applicants to the Fund. However, I am sure that as the ground rules for the actual working of the new fund are set out, the local authorities and the national governments will become more conversant with what the Commission expects. I believe this backs up the need for my own report to be passed and implemented so that there is a better and a greater dialogue between the Community, with its institutions centred mainly in Brussels, and the regions of the Community, which in some cases are far from the centre at Brussels. So I hope that all these reports will be passed by the House tomorrow morning with one or two more Members present.

(Applause)

Mr Giolitti, Member of the Commission. — *(IT)* Mr President, the four interrelated reports merit longer

Giolitti

and more detailed comment from the Commission than the time available tonight allows. I shall therefore confine myself to stating the Commission's position on what I would call the most general report, that by Mr De Pasquale on the European Regional Development Fund regulation. On the remaining three reports I shall have only a few words to say, stressing only that the brevity of my comments is in inverse proportion to the Commission's interest in the four reports being debated tonight.

As regards, then, the European Regional Fund regulation let me remind you that the first proposal for its amendment, going back, as Mr De Pasquale has recalled, to 1981 and voted on by Parliament on 22 April 1982, was the subject of prolonged and exhausting negotiations within the Council which in the end failed to reach agreement. The Council did, however virtually agree on some important points in the Commission's proposal, such as the experimental introduction of financing of programmes and the introduction in the 'sub-quota' section of a set of aids which had already been tried out successfully in the framework of 'non-quota' measures mainly aimed at providing services and facilitating access to the finance market for small and medium-sized undertakings.

On the vexed question of the distribution of resources, in other words, the quota system, negotiations in the Council were stalled in mid-1983. Meanwhile, the Commission, in pursuance of the mandate it had received from the Stuttgart European Council, drew up a report on the means of increasing the efficacy of aids from the structural Funds on which Parliament voted on 17 November 1983, approving thoroughly its content and proposals. The Commission therefore thought it appropriate to submit a second proposal for the reform of the Regional Development Fund which would at the same time comprise the main areas of agreement in the negotiations on the earlier proposal, seek to overcome the obstacles which had brought those negotiations to deadlock, and develop the proposals contained in the Commission's report.

Mr De Pasquale has very ably and clearly summarized the most important modifications proposed by the Commission and I shall not repeat them here. I should like to dwell for a moment on the amendments which have been put forward, because as far as the general content of Mr De Pasquale's report, and of the draft resolution, is concerned, the Commission is in agreement. Indeed, the Commission would wish to avoid creating obstacles which might prove insurmountable when the Council comes to negotiate. I wish to draw your attention to this point, because it is the Commission's view that insurmountable obstacles would be created if amendments were passed excluding the Council from the decision-making

process as regards the overall framework within which the individual programmes must be compromised or changes, downwards or upwards, of the 'brackets' for Ireland, Greece, the United Kingdom and Italy. In fact, the first thing of which the Commission is convinced is that any attempt to exclude the Council completely from the decision-making process on Community programmes is doomed to failure. A better line of approach here is to aim for a Council decision by a qualified majority — and not by unanimity, as has been happening until now — on some of the essential points which the programmes must contain. This would represent considerable progress from the present situation in which 'non quota' measures require a unanimous decision on the details — I repeat, not on the framework, but the details — of the entire content of programmes to be implemented.

Secondly, the Commission believes that greater concentration of the Regional Development Fund's resources than that which is proposed — I am talking here of geographical concentration, not of concentration in the sense of higher contribution rates, a subject on which the Commission maintains its position — would resurrect some of the issues which deadlocked the negotiations on the earlier proposal, while it would not be fully justified by developments in the Community's regions, as shown, for example by recent events in Lorraine.

The Commission recognizes that the amendments proposed in this House to some extent reinstate points from the Commission's 1981 proposal, but it would ask Parliament to appreciate the even greater importance of the other points of the proposed reform and to bear in mind the attitude of the overwhelming majority of the Member States which has been clearly and consistently manifested in the Council.

The latest turn of events in the Council does not, to my mind, exclude the possibility of an early Council decision accepting, with unimportant modifications, the Commission's proposals. Such a favourable outcome would enable the Fund to enter the long-awaited second stage of its existence with the capacity to provide aids more appropriate to the complex problems facing the Community.

It is a matter of particular interest that, in connection with these general issues of the future of the Regional Development Fund, a report specifically devoted to the subject has drawn attention to the problems of Greece. This report contains some very valuable suggestions which complement and develop the regional development programmes for Greece which have been received by the Commission. I can say on behalf of the Commission that we agree with the proposals contained in the motion for a resolution which it will be possible to implement all the better, the

Giolitti

sooner the Council adopts the proposals for the amendment of the Fund regulation. May I add, however, that despite the limitations imposed by the regulation which is still in force, Greece is making full and good use, qualitatively and quantitatively, of the possibilities open to her under the Regional Development Fund.

On what I would call the institutional problem with which Mr Griffiths deals in his report and on which I had occasion to speak in this chamber at the time of the Conference of the Regions, I would merely say that not only will the Commission be happy to establish direct contact with regional and local authorities, but that in fact it has for some time maintained such relations — within the limits, naturally, allowed by very different systems of the Member States as regards local and regional authorities.

The Commission attaches great importance to these relations, especially in the context of defining and implementing regional policy, and even more so in the prospect of the strengthening and expansion of the instrument of that policy represented by the programmes and of a greater effort to develop indigenous potential. What is more, with a view to these developments, our proposals for the amendment of the Fund regulation provide for technical assistance that Community services could offer to regional and local authorities in a manner that is not possible with today's limitations.

But I think a distinction should be made between two sorts of relations: there are those which we already maintain today, within the limits, I repeat, allowed by the different systems of the various States; relations we have with individual regions in connection with specific activities in their territories financed by the Regional Development Fund.

But there is also the more general question of relations with all the regions for the purpose of consultation on general issues, and this implies the existence of a representative body for all the regions. We are in contact with the Consultative Committee which has been set up by the associations of regional and local authorities, but as the Conference which met in this chamber clearly recognized, this is not enough. We therefore hope that the second Conference of the Regions may evolve a body better qualified to represent all the regions of the Community. Pending this we maintain, as I said, consultative links with the existing body.

Finally, Mr President, as regards the report and the motion for a resolution on transfrontier cooperation, we recognize the specific nature of the measures for frontier regions and their importance and this finds expression in the proposals we have submitted concerning the Fund regulation. In accordance with

these proposals the new Fund regulation could make a valuable contribution to a more sensitive appreciation of these transfrontier problems.

It is with this in mind that the Commission feels that the new Regional Development Fund regulation should meet the aim inspiring the proposal contained in the motion for a resolution that a directive be issued on the exchange of information and the establishment of consultation — proposals which are embraced by the coordination and cooperation provisions of the amended regulation.

We thus do not see such a directive as appropriate, given that the matter is already taken care of in our proposals for the reform of the Regional Development Fund regulation.

(Applause)

Mr Rogers (S). — Mr President, on a point of order.

May I first of all congratulate the rapporteurs on presenting these extremely important reports. The Community is facing major issues such as budgetary discipline, control of agricultural spending, increasing its own resources, etc., but at the end of the day what it boils down to is a need to develop new policy areas, of which the subjects discussed tonight are very much a part.

Following on from that, my point of order, Mr President, is whether you, as a vice-president, can convey to the enlarged Bureau the need to schedule items like these at a proper time when they will get proper coverage from the media and when people will be here to take part in these important debates. It seems to me complete nonsense that this Parliament should raise issues concerning foreign affairs, security, things that have nothing to do with its competence, while major issues such as regional policy, things of a developing nature, are relegated to this time of night.

In saying that, Mr President, I do not mean to detract from the work of the rapporteurs or the staff who have stayed here in order to see these major issues through. But I hope you will convey my concern to the enlarged Bureau.

(Applause)

President. — Thank you, Mr Rogers, I take note of what you have said; but that is a perennial question, you know, and for representatives of our people any time ought to be a proper time.

The debate is closed. The vote will be taken at the voting-time.¹

(The sitting closed at 11.55 p.m.)

¹ For the next sitting's agenda, see Minutes.

ANNEX

Votes

(The Annex to the Report of Proceedings contains the rapporteur's opinion on the various amendments and the explanations of vote. For a detailed account of the voting, see Minutes)

GAIOTTI DE BIASE MOTION FOR A RESOLUTION (Doc. 1-135/84 '1985 Nairobi Conference'): ADOPTED

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CROUX AND BARBI MOTION FOR A RESOLUTION (Doc. 1-161/84 'Population growth in Europe'): ADOPTED

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GAUTHIER MOTION FOR A RESOLUTION (Doc. 1-154/84 'French steel industry'): ADOPTED

* * *

HERMAN MOTION FOR A RESOLUTION (Doc. 1-136/84 'Newsprint'): ADOPTED

* * *

DONNEZ MOTION FOR A RESOLUTION (Doc. 1-150/84 'Lebanon'): ADOPTED

* * *

EDWARD KELLETT-BOWMAN MOTION FOR A RESOLUTION (Doc. 1-152/84 'Exit visas'): adopted

* * *

GLINNE MOTION FOR A RESOLUTION (Doc. 1-160/84/Rev. 'Political prisoners in Turkey'): REJECTED

* * *

SHERLOCK MOTION FOR A RESOLUTION (Doc. 1-153/84 'Chlorofluorocarbons'): REJECTED

* * *

PETERS REPORT (Doc. 1-1387/83 'Right of members of the armed forces to form associations'): ADOPTED

The rapporteur was :

— AGAINST Amendment No 1.

Explanations of vote

Mr Baillot (COM). — *(FR)* The French members of the Communist and Allies Group will vote against the Peters report. Lack of time in the general debate prevented us from explaining our reasons and I will therefore do so briefly now.

Firstly, the Peters report is very ambiguous. The title might talk of the right of members of the armed forces to form associations, but the motion for a resolution proposes the application of this right only to soldiers and makes no mention of officers or non-commissioned officers. Yet as professional soldiers they are more comparable with civil servants, with special responsibilities, like the police.

We cannot, of course, totally ignore the fact that they carry arms, of whatever kind, and this makes them subject to certain restraints.

Secondly, this report tends to generalize the situation of soldiers throughout the Community. Here we must differ with the rapporteur. The job of the soldier exists only because there is an army, serving a concept of defence, and we consider that it is the sovereign right of each State to determine this concept. The logical conclusion of the rapporteurs thinking, however, is supranationalism.

In France, for reasons which I have no time to go into in this explanation of vote, the right to form an association or belong to trade unions, which does exist in some countries of the Community, is granted neither to soldiers nor to officers, commissioned or otherwise. However, soldiers are encouraged to become involved in barrack life, and that includes their military training. The present Minister of Defence has introduced a number of measures to achieve this, among them, in particular, the creation of consultative committees of soldiers elected by their colleagues. Every country of the Community should, without restraint or obligation, be able to exercise its rights in the field of defence, and this is why we consider this report not just futile, but positively dangerous.

Mr Sieglerschmidt (S). — *(DE)* The Socialist Group will be voting for this report. First of all, though, I should like to correct what would appear to be an error on the part of the Communist Member. The report refers to members of the armed forces, meaning all such members, including officers and non-commissioned officers, who are soldiers as well. That would appear to be a misunderstanding.

This report is concerned with two things. Firstly, there is the elementary human right of association and secondly, there is — as the Convention on Human Rights has it — the restrictions placed on elementary and human rights of necessity in a democratic society. The Klepsch report will probably give us the last chance in this Parliament to discuss the need for harmonization in security matters affecting the Member States of the European Community, and we should logically be trying to reach at least reasonably standardized arrangements.

The provisions on this point vary widely. Some Member States take the view that the kind of restrictions needed in a democratic society are such that there should be no right of association whatsoever, while others are much more liberal. My own view is that, if some Member States — the majority in fact — are prepared to allow a limited form of right of association, they must believe that such a right does not jeopardize their defence capability, and the other Member States should follow their example. Nor do I believe that, if members of the armed forces had this right of association, it would certainly adversely affect their willingness to fight.

Mr Baillot (COM). — *(FR)* I must just make one point clear about Mr Sieglerschmidt's interpretation of what I said. I would like to point out that Article 1 of the motion for a resolution stated:

Calls on all Member States of the European Community to grant their servicemen the right, in peacetime ...

There is no reference to non-commissioned officers or officers.

Mr Ephremidis (COM), in writing. — (GR) The resolution contains the following demands :

- that servicemen should be entitled to form professional associations to defend their rights and to participate in negotiations concerning their professional and social interests ;
- that the serviceman is to be regarded as a citizen in uniform ;
- that strikes cannot be considered a means of solving the problems faced by servicemen ;
- that the rights of servicemen to form associations should apply only in peacetime ;
- that the laws of the Member States should be harmonized on these points.

In general we, the deputies of the Communist Party of Greece, agree with the resolution, but we have the following comments to make which are incorporated in our amendments :

- The recognized rights should apply to all servicemen, irrespective of whether they are professional soldiers or conscripts and irrespective of their grade ;
- the right to assemble and to associate should be withdrawn only in the event of war as such ;
- that the part of the text which says that the soldier's task is to protect democracy be changed to read : 'soldiers of all categories have the right and duty to defend popular sovereignty and democracy' ;
- that soldiers, if they are in fact to be citizens in uniform and to exercise their rights in a responsible manner must have a right to information, e.g. to read whatever newspaper and other publications they wish — naturally, not when they are on duty. We should like to stress this point because in Greece soldiers are punished for reading newspapers under the terms of reactionary legislation.
- finally, we think that the European Parliament does not have the competence to champion the above issues, except by expressing its wishes or urging its views in the form of resolutions. Anything else would amount to intervention in the internal and constitutional affairs of the Member States.

Mr Kyrkos (COM), in writing. — (GR) The Communist Party of the Interior supports the Peters report, which is one of the most democratic texts to have been prepared by the European Parliament. My country has had the lamentable experience of a conspiracy within the army which led to the subjugation of the armed forces and their use as a means to abolish democratic freedoms. When democracy enters the barracks it not only protects the human rights of the citizen in arms — be he simple soldier or officer — but also defends the democratic system from the threat of military rule and helps to integrate the army into society as a whole.

We look on the Peters report as an encouragement, on the part of the European Parliament, to all those who have the courage to take initiatives to exercise and practice the right of association in the army, even when this conflicts with outdated and repressive legislation, as unfortunately is still the case in my country. With you, we sincerely hope that the Peters resolution will become an integral feature of the national law of each Member State of the Community.

* * *

HÄNSCH REPORT (Doc. 1-1540/83 'EEC-USA') : ADOPTED

The rapporteur was :

- IN FAVOUR of Amendment No 1.
- AGAINST Amendments Nos 2 to 9, 11, 13 to 24, 26 to 28 and 30 to 44.

Explanation of vote

Mr Denis (COM). — *(FR)* My friend Francis Wurtz has given our views on the substance of the motion. We are in favour of cooperation between the EEC countries and the United States, as between all countries irrespective of their social and political systems.

The motion states that it has become necessary to take stock of the relations between the USA and the Community, and we consider this a good idea. Faced with the hegemony of the dollar, high interest rates, and the practices of the multinational companies, Europe must act in self-defence to protect its own interests, particularly when it knows that the United States claims a role of world leadership, is turning Europe into an advanced nuclear base, and adopts positions opposed to those of Europe in the Middle East or in Central America.

What contempt they have shown towards their European partners by their aggression against Grenada and, today, by the act of piracy involving the mining of Nicaraguan ports. The report contains some interesting remarks, but it is very regrettable that it does not give a clear statement of a Community approach offering the proper means to defend European interests.

Lastly, the inclusion of security questions in the report shows that the attitude adopted by the rapporteur remains one of alignment with the USA. We hoped to improve the text in line with my above comments, but the right-wing majority prevented us from doing so. The French members of the Communist and Allies Group will therefore not vote for this motion.

(Applause from the Communist and Allies Group)

Mr Gontikas (PPE), in writing. — *(GR)* The joint discussion of the three reports reveals in its true dimensions the importance of developing a European security policy which should take the form of cooperation with the USA on the basis of equal partnership in all fields.

This cooperation which, at the present stage of EEC-USA relations, is encountering difficulties, must in principle be founded on timely consultation and full mutual exchange of information on all the issues which concern both sides. By consolidating this form of cooperation we should more readily find solutions to the problem of over-indebtedness in Third World countries, the downward trend in the prices of raw materials and the struggle against protectionism in world trade.

In addition it must be made clear that the European economy, and in consequence the Greek economy also, is inextricably linked with the policy of high American interest rates and repeated revaluations of the dollar, which has adverse effects on the European economy and the economy of the developing countries.

Taking into consideration the fact that both sides have every political and economic interest to act in common, I will vote in favour of all three reports.

Mr Kyrkos (COM), in writing. — *(GR)* The Communist Party of the Interior cannot vote in favour of the motion for a resolution put forward by Mr Hänsch.

Both the motion for a resolution and, in particular, the explanatory statement which accompanies it, contain a frank and, generally speaking, accurate account of the sources of friction between the Community and the USA. Political differences are mentioned, for example as regards the Middle East, as are the economic differences, such as the US reaction to the Community agriculture policy, etc. Mr Hänsch's document describes relations in the field of security. However, despite the correctness of the analysis, the proposal does not fully draw the conclusions.

In our view the future of the European Community lies in its independence both from the USA and from the USSR. By contrast, what the proposal ultimately suggests is that the military links between the European and American wings of the Atlantic Alliance should be strengthened — and not the independent poles. However, this is not the way to assure Europe's independence and still less is it the way to strengthen the Community in its tough economic and trade competition with the USA; rather, it binds the European Community even more firmly to the NATO wagon.

Despite the sincere endeavours of the rapporteur and the correctness of the analysis, the report does not succeed in abolishing the following contradiction: independence at the economic level, 'protection' at the political and military level.

For these reasons — despite certain positive points with which we agree — we cannot but reject the motion for a resolution.

* * *

RIEGER REPORT (Doc. 1-37/84 'EEC-USA'): ADOPTED

The rapporteur was:

- IN FAVOUR of Amendment No 14;
- AGAINST Amendments Nos 1 to 3, 5 to 13 and 16 to 19.

Explanations of vote

Mr Ziagkas (S). — (GR) The PASOK deputies, by voting in favour of the report by our honourable colleague Mr Rieger, wish to express their approval of vigorous and determined defence of the Community's rights with a view to resolving the economic and commercial differences between the EEC and the USA, especially as regards steel.

The obvious tendency of the USA, acting from a position of strength, to use the so-called security problems of the European Community as a pretence for exercising political and economic pressure, is something which we radically oppose and which we consider unacceptable. The destructive policy of the USA in its relations with the Community, which takes the form of high interest rates, growing protectionist tendencies and the unacceptable attack on the CAP and the Community steel industry, has already had serious consequences for Europe's development. The continuation of such economic and commercial links constitutes an unconditional surrender and is undermining the economic development of the peoples of Europe. We cannot imagine what purpose such links can possibly have or how they could work.

We are opposed to any such idea.

(Applause from the left)

Mr Lagakos (S). — (GR) The report by our honourable colleague, Mr Rieger, is indeed a major contribution which covers the entire spectrum of economic and commercial links between the EEC and the USA. However, I would like to make some comments concerning two points in the report which I think deserve special attention.

Firstly, as regards paragraph 2 of the preamble, it should be made clear that the policy and concerns of the Atlantic Alliance are outside the scope of this report, which has a clear commercial and economic character.

Secondly, as regards paragraph 19 of the motion for a resolution — and bearing in mind the outcome of the 22nd meeting of the European Parliamentary Delegation and the Delegation of the US Congress, I would like to draw your attention to the negotiations which the Community will conduct for a new trade agreement in the context of GATT.

Agricultural trade between the EEC and the US has always favoured the United States, which had a surplus of approximately 6.5 000 million dollars in 1981 and 5.4 000 million dollars in 1982, a year during which the Community absorbed approximately one-fifth. . .

(Protests)

President. — Mr Lagakos, your speaking time is up.

Mr Lagakos (S). — *(GR)* Having made these reservations and comments, I will vote in favour of Mr Rieger's report.

Mr Wurtz (COM). — *(FR)* Conservatives, on the other side of the House, Ambassadors of the United States, this concerns you.

(Protests from the European Democratic Group)

Several months ago, Mr Block, US Secretary of State for Agriculture, was reported as saying in Brussels :

We want the common agricultural policy to be brought more into line with the world market ; we do not expect an immediate reversal of the CAP, but if you do not begin to take steps in the right direction, the result will be trade war.

Pressure of this kind is unacceptable, but unfortunately it worked and the American Minister must have been extremely pleased with the agreement reached on 31 March on agricultural prices. This is not the way to safeguard the future of our farming or prevent the Americans making further inroads into the Community's traditional markets. Experience shows, gentlemen, that concessions are not only ineffective, but very often come back on those who accept them. It's not that we want trade war between the Community and the United States, for we believe that a negotiated settlement of our disagreements is preferable. In our opinion, the chances of coming to a fair agreement depend on the strength and unity with which the Community can face the American pressures and, if need be, on our readiness to take counter measures.

The Rieger report did refer to a number of aspects of our analysis of the farming sector, but it has the irritating tendency to apportion equal blame to the EEC and the United States whereas, in the face of the American offensive, it should have proposed strong action and reaction. These are our reasons for abstaining.

(Applause from the Communist and Allies Group)

Mr Forth (ED). — Mr President, could you confirm that where explanations of vote are given orally, the record will show what has been spoken in the Chamber and will not be taken from a written text subsequently submitted ? Will you confirm that so that we all know that it is only what is spoken and heard in the Chamber that will be recorded afterwards ?

President. — Yes, Mr Forth, I can confirm that. When we have a written text, the text is reproduced in its entirety. Where there is no written text, only what has been said is reproduced.

Mr Gontikas (PPE), in writing. — *(GR)* (The explanation of vote on the report by Mr Hänsch applies to the report by Mr Rieger as well.)

Mrs Poirier (COM), in writing. — *(FR)* For reasons which we have set out, we will abstain from the vote on the Rieger report.

We do not do so gladly, however, since this report shows a certain will to resist the American authorities' efforts to check exports from our countries, and impose their economic and commercial superiority. We do not want trade war with the United States, but that does not mean we should appear weak. The measures taken on special steels, the dumping prices used to secure the Egyptian market, the Export Administration Act, or again the attitude of the United States within the Cocom — all these bode ill for the Euro-

peans, particularly with the American elections only a few months away. Finally — and the report does not make this sufficiently clear — the American authorities ought to know that the Community has the political will to use the commercial instruments at its disposal and take counter measures, particularly, within GATT.

May I just make one final point on this subject. We do not agree with the inclusion of advanced technology industries and services in the GATT negotiations. In the present situation, liberalization would only serve to strengthen American dominance in these sectors, and this is not what Europe wants.

Indeed, we have enough on our plates ensuring that the present trade regulations are actually enforced.

* * *

SPENCER REPORT (Doc. 1-1543/83 'EEC-USA'): ADOPTED

Mr Welsh, deputy rapporteur, was :

— AGAINST all the amendments.

Mr Fernandez (COM). — *(FR)* I will give my explanation of vote orally to make a point of principle. I have on a number of occasions given my explanations of vote in writing, but I feel I should make a stand against the restraint which the rather voluble right of this Assembly is trying to impose on us.

The French Communists and Allies are agreed that we should protest against the protectionist measures taken by the American administration against special steel exports from the Community, but regret that the report does not mention the continuing threat to the future of our steel exports to the United States posed by the complaints lodged by certain large American companies. It would be a mistake to take this threat lightly; the spate of protectionist measures which the American administration has taken or is intending to take is not about to dry up. We all know that the American administration, especially in the lead-up to the elections, is sensitive to pressures from industry. We cannot take part in the internal discussion going on within the complex institution in the United States, but we can at least remind the American administration that the Community has commercial instruments which it is ready to use, particularly if the plan to impose import ceilings on steel of 15 % of the American domestic market comes to fruition, in complete violation of the agreement signed in 1982. This is not trade war mongering, but a desire for strength among partners. We will therefore abstain.

Mr Gontikas (PPE), in writing. — *(GR)* (The explanation of vote on the report by Mr Hänsch applies to the report by Mr Spencer as well.)

* * *

WALTER REPORT (Doc. 1-57/84 'EEC-Countries of northern Europe'): ADOPTED

The rapporteur was :

— IN FAVOUR of Amendments Nos 1, 2, 4 and 6 ;

— AGAINST Amendments Nos 3, 5 and 7.

Explanation of vote

Mr Bøgh (CDI). — *(DA)* The Walter report contains a series of ideas which we of the Popular Anti-EEC Movement must be extremely satisfied with. If we nevertheless cannot vote for it, it is because, in spite of its fine words, it is characterized by a clearly imperi-

alist attitude towards the Nordic countries. It is intended, for example, to maintain propaganda offices or, as they are described more sensitively, *information offices*, in the Nordic countries in order to tell them about the blessings of the EEC. The report claims time and time again that an extension of EEC cooperation will have no effect on Nordic cooperation. But of course this will happen: anything else would be completely unnatural. Take, for example, an extension of EEC passport cooperation: this cannot be introduced without a breakdown of the Nordic Passport Union in its current form. Nordic cooperation in the environmental field has been greatly hampered by the EEC's attempts to prevent Member States from introducing their own initiatives. It is quite evident that Mr Walter, and with him Mrs Tove Nielsen, regard Nordic cooperation as a kind of subsidiary of EEC cooperation, and they imagine that cooperation should be one-sided and at the EEC's bidding. We have no desire to ask our Nordic sister countries to accept this type of humiliation and we are sure that they will also say 'No thank-you' themselves. This is why we shall not vote for the report.

* * *

**SIR JAMES SCOTT-HOPKINS REPORT (Doc. 1-1529/83 'Zimbabwe'):
ADOPTED**

Lady Elles, deputy rapporteur, was:

— IN FAVOUR of Amendment No 12;

— AGAINST Amendments Nos 1 to 10.

Explanations of vote

Mr Vergès (COM). — (*FR*) I have read and re-read Mr Scott-Hopkins' report very carefully. It contains some valuable information and research, though some of it is in my view questionable. Despite the goodwill he occasionally shows towards the former British colony, now an independent state, we have two basic criticisms of this report.

Firstly, in the final analysis the report apportions equal blame for the instability in southern Africa to the front-line countries, of which Zimbabwe, a victim of South African aggression, is one and their aggressor, the Pretoria regime. This is unacceptable and it is this which is at the root of the problem.

Secondly, the resolution 'urges the government of Zimbabwe', 'cautions' it, and 'regrets' this or that aspect of its policy. If this text is passed, it will mean that this Parliament is adopting an unacceptable tone towards an independent government which is associated with the Community under the Lomé Convention, since these are relations between equal and independent States. Yesterday's Rhodesia was a colony, but that is a thing of the past for present-day Zimbabwe. It is independent and understandably anxious to hold on to its independence, and that precludes both interference and the threatening tone which often accompanies it. So we cannot vote for this report.

Mr Pearce (ED). — I always have difficulty in agreeing with reports that choose to criticize one of the aggressors in southern Africa, that is to say South Africa, without criticizing others, that is, the Soviet Union and its client States. However, this report is generally a well-balanced report, and I am delighted by the acceptance of the amendment I have proposed, which welcomes the steps that have been taken in southern Africa, in which South Africa has been the leading party, to bring about some sort of agreement with the hope of peace and justice for all of the people of that area. I am confident that in the light of the steps that have been taken between South Africa and some of its neighbours, and provided the Soviet Union can be prevented from meddling further in the affairs of that region, there will be some progress.

For that reason I find that I am able to support this report.

Mr Marshall (ED), in writing. — When Zimbabwe was born out of the Lancaster House talks she was greeted with hope and goodwill — the hope of her residents and the goodwill of the rest of the world.

As Zimbabwe seems to veer to a one-party dictatorship, opinion has changed. For many of her citizens hope has been replaced by despair. What has happened to Bishop Muzorewa and Joshua Nkomo's supporters is as indefensible as anything which happened during the years of UDI.

This headlong rush to a dictatorship and to racial intolerance has dissipated international goodwill. The rulers of Zimbabwe must realize that the democracies of Europe are aghast at this decline from the hopes of 1980. Let them retreat from the abyss!

* * *

RIPA DI MEANA REPORT (Doc. 1-1532/83 'Horn of Africa'): ADOPTED

The rapporteur was :

- IN FAVOUR of Amendments Nos 1, 2/rev., 3 and 11 ;
- AGAINST Amendments Nos 4 to 10 and 12 to 14.

Explanations of vote

Mr Denis (COM). — (FR) The French Communists and Allies will vote against the Ripa di Meana report, for we believe, as indeed was recommended by the Committee for Development and Cooperation, that caution and impartiality would have been the right approach for our Assembly in a problem of this complexity. In our view, the unilaterally hostile treatment of ACP countries like Ethiopia is completely unjustified, I would go so far as to say quite wrong, when we consider what the situation is in an area which has, like all the Sahel countries, been so hard hit. We fear that this could quite reasonably be seen by the Lomé countries as an indication of a general tendency to interfere in the internal affairs of the States and to discriminate in relations with countries with which our Community has special, mutually beneficial relations.

It is, indeed, a scandalous political campaign against a country striving for independent and autonomous development. You are even calling into question the findings of two European Parliament missions, which included representatives from all the political groups. Ethiopia was, according to this committee, one of the countries receiving aid from the EEC which made the best use of the aid. The di Meana resolution is in the interests of neither Ethiopia nor the EEC and we will vote against it.

(Applause)

Mr Pearce (ED). — I wish to explain why I shall vote against the resolution. The biggest threat to peace in the Horn of Africa is the presence of Russian, Cuban and East German troops. I believe that this report will make their continued presence more rather than less likely. It will not help our friends in Somalia or in Djibouti. The report chooses to criticize Ethiopia at every angle. Some of this is justified. I, too, look for improved human rights and civil peace in that area, but it takes no account of the progress that has been made there. It ignores Ethiopia's importance to Europe in terms of trade and investment. It takes no account of the dreadful nature of the previous regime. It offers no word of encouragement. Because it is a wholly critical document, I believe that it will encourage Ethiopia to seek continued support from the Eastern bloc. Our interests will therefore be damaged. A chance to entice Ethiopia further into the West's area of influence will have been lost.

I therefore urge Members of this House, and in particular many of my own friends, to vote against this report because it makes Russian influence there more likely rather than less likely, or, if they cannot vote against it, at least to abstain.

Mr d'Ormesson (PPE). — *(FR)* The European People's Party will vote for this report. It is an excellent report giving an accurate description of the situation in the Horn of Africa. It is by making the Soviets retreat politically that we will force them to leave Africa.

(Applause)

Mr Pelikan (S). — *(FR)* I will vote in favour of the report by our friend and colleague Carlo Ripa di Meana for two reasons: because I believe we should respect the peoples of all countries, whether it is Afghanistan, Tchechoslovakia, Grenada or Angola, and because I am in favour of the liberation of political prisoners. I also want, in this vote, to protest against the fact that a dozen letters which I have sent to the Ethiopian Government requesting news of political prisoners have remained unanswered. I will therefore vote for the report of our Italian Socialist colleague, Mr Ripa di Meana.

Mr Israël (DEP). — *(FR)* In our annual report on human rights, we singled out Guinea. This country has since undergone a tremendous reform and its government is now proclaiming the need to respect human rights. We hope that by singling out Ethiopia in our report on the rights of man, we will one day see the reestablishment of freedom of the individual there as well.

We also want to see the reestablishment of Ethiopia's political independence from its powerful guardian.

And finally, we believe that the Ethiopian peoples should be their own masters.

This is why we will vote wholeheartedly for Mr Ripa di Meana's report.

Mr Fergusson (ED). — I want to intervene, not to extend this debate, but because I believe a misunderstanding might otherwise arise about my group's intentions. The trouble is simply that in the short debate we had yesterday, the only voice raised within my group — admittedly speaking, as just now, only for himself — was critical of the thoughtful and constructive approach which Mr Ripa di Meana has taken to a report which, as a group, we warmly welcome.

We support this resolution, both in general and in detail, in order to register our enduring concern for the human distress and political destabilization in and around the Horn of Africa. While accepting that false conceptions cannot be confined to any single nation, we assert strongly that those who willingly consort with the enemies of the free world, and who deny fundamental human rights, must not be surprised if they find the Community's friendship and assistance progressively harder to come by.

We believe that Mr Ripa di Meana has made a fair and useful presentation of conditions in the Horn of Africa, and we trust that it will help to alert the Commission, whose minds seem curiously closed to the fears we express, and the Council of Ministers to developments that are strategically dangerous as much as humanly tragic. Indeed, we hope for the establishment of such conditions as will make close relations with Ethiopia in particular once more both fruitful and acceptable.

(Applause)

Mr Harris (ED). — I shall abstain in this vote in a last personal attempt to try and obtain the release of members of the former royal family of Ethiopia, two of whom were educated in my constituency. I know that previous attempts appear to have fallen on deaf ears. I believe that even now the Ethiopian Government will see — partly through this report — the weight of public opinion across the Community about human rights, and for that reason I will give them one last chance in the hope that these detainees will be released immediately.

Mrs Gaiotti de Biase (PPE), in writing. — (IT) Naturally the PPE Group will vote for Mr Ripa di Meana's motion on the Horn of Africa.

By voting for it we trust that the Council will assume a more definite position and pay closer attention to the matter; not only the Council but also public opinion and European political parties.

In some places in Africa and outside Africa people interfere, claiming that they have justified reasons and in the hope of establishing freedom: this combination of claims puts European diplomacy in a difficult and sensitive position when trying to distinguish between genuine tensions and definite destabilization.

It is not so in Ethiopia, however, where our intervention supports a centralist dictatorship and helps to crush moves to establish ethnic autonomy and the demand to respect differences. There are no excuses, therefore, for a consistent political approach in this area.

We also feel that it is necessary to do this through development aid and aid for refugees as well.

We agree that through these measures something can be done and we are counting on a large majority on this in Parliament today.

SITTING OF FRIDAY, 13 APRIL 1984

Contents

1. <i>Approval of the minutes</i> <i>Mrs Boot; Mr Notenboom</i>	284	<i>Mr Enright; Mr Richard (Commission)</i> — <i>Report (Doc. 1-119/84) by Mr Lezzi and oral questions to the Commission (Doc. 1-21/84) by Mr Eisma and others and (Doc. 1-23/84) by Mr C. Jackson and others</i>	
2. <i>Votes</i> <i>Mr Israël; Mr Richard (Commission); Mr Seligman; Mr Ligios; Mrs Kellett-Bowman; Mr Israël; Mr De Pasquale; Mr Johnson; Mr Bocklet; Mr von der Vring; Mr Simmonds; Mr Dalsass; Mr Helms; Mr Kellett-Bowman; Mr Ligios; Mr Hopper; Mr Enright; Mrs Kellett-Bowman; Mr D'Angelosante</i>	284	<i>Mr Enright; Mr Richard (Commission); Mr C. Jackson</i>	292
3. <i>Budgetary policy for 1985 — Report (Doc. 1-79/84) by Mrs Scrivener</i> <i>Mrs Scrivener; Mr Purvis; Mrs Kalliopi Nikolaou; Mr Price; Mr Richard (Commission); Mr Lange</i>	286	7. <i>Air transport — Report (Doc. 1-1551/83) by Mr Ripa di Meana</i> <i>Mr Ripa di Meana; Mr Richard (Commission); Mr Kellett-Bowman; Mr Ripa di Meana</i>	294
4. <i>Agreement between the Swiss Confederation and the EEC — Report (Doc. 1-88/84) by Mr D'Angelosante</i> <i>Mr Tyrrell; Mr Richard (Commission)</i> . . .	290	8. <i>Hydrocarbons — Report (Doc. 1-92/84) by Mr Protopapadakis</i>	296
5. <i>Customs debt — Report (Doc. 1-78/84) by Mr D'Angelosante</i> <i>Mr Richard (Commission)</i>	292	9. <i>Adjournment of the session</i>	296
6. <i>Food aid — Report (Doc. 1-116/84) by Mrs Focke</i>		<i>Annex</i> <i>Mr Blaney; Mr Purvis; Mr De Pasquale; Mr De Courcy Ling; Mr Wurtz; Mr Sherlock; Mrs Ewing; Mr von der Vring; Mr Hutton; Mr Vergès; Mr Pedini; Mrs Boot; Mrs Kellett-Bowman; Mrs Boot; Mrs Kellett-Bowman; Mr van Aerssen; Mr Bournias; Mr Kyrkos; Mr Enright; Mrs Boot; Mrs Fullet; Mr Bernard; Mr O'Donnell; Mr Wurtz; Mr Eisma; Mr Protopapadakis</i>	297

IN THE CHAIR : MR ESTGEN

Vice-President

(The sitting was opened at 9 a.m.)

1. *Approval of the minutes*

President. — I welcome you all on this Friday the 13th.

(Laughter)

The minutes of yesterday's sitting have been distributed.

Are there any comments ?

Mrs Boot (PPE). — *(NL)* Mr President, I should like to put in a word here. In connection with the Minutes I wish to make a personal statement.

When I asked yesterday for the referral of my report, a member of the Committee on Regional Policy and Regional Planning gave so tendentious a presentation that I felt my integrity as rapporteur was being attacked. I wanted to say this because the speaker was in fact quite seriously misinformed and consequently made a statement which was totally at odds with the true state of affairs.

President. — Your statement has been noted, Mrs Boot.

(Parliament approved the minutes)

Mr Notenboom (PPE). — *(NL)* Mr President, I note that the Minutes are approved. With the agreement of the chairman of the Committee on Budgets and as rapporteur of the report on own resources which is on today's agenda, I request that the report be withdrawn from the agenda. After thoroughgoing discussions with the Commission we arrived at total agreement, with the result that we may be able to put before you next month a revised text, possibly even without debate. This would save a lot of time and would make possible an agreement between Parliament and the Commission if the Committee on Budgets could agree to it on Wednesday. I would therefore ask you if you could be so good as to withdraw the report from today's agenda.

*(Parliament agreed to the request)*¹

2. *Votes*²

HAAGERUP REPORT (DOC. 1-1533/83 HUMAN RIGHTS)

Mr Israël (DEP), rapporteur. — *(FR)* Mr President, I think you are having some difficulty in putting this report to the vote. Initially, Mr Van Miert was the rapporteur. For personal reasons, which I share, he stepped down. Mr Haagerup, who as acting chairman of the Political Affairs Committee took over the report, is not present. You do not even have the possibility of calling on Mr Rumor, chairman of the Political Affairs Committee, nor on Mr Fergusson, the vice-chairman, neither of whom are here.

I therefore propose, that, since it is, as I believe, an important report and since I was the author of the referral resolution which gave rise to this report, I should take the rapporteur's place.

President. — Even though Mr Haagerup has not designated you by name to deputize for him, I think that your request is perfectly justified and that nobody will raise any objections.

ROGALLA REPORT (DOC. 1-106/84 — REGULATION AMENDING THE CONDITIONS OF EMPLOYMENT OF OTHER SERVANTS OF THE COMMUNITIES)

Mr Richard, Member of the Commission. — Mr President, on the first of the amendments, which is to paragraph 4(a) of the resolution, the Commission has no views and leaves it to the House.

As I understand it, Amendment No 2 has been subsumed in Amendment No 3. Mr Rogalla has added a sentence which the Commission asked him to do, and we would therefore be in a position to accept what is now Amendment No 3 as tabled by the Legal Affairs Committee.

As far as the next amendment is concerned, which is to Article 1.4, the Commission would not be in a position, I am afraid, to accept that. The qualification, we think, is insufficient.

As far as the other two amendments are concerned, they are amendments which the Commission could accept.

PEDINI REPORT (DOC. 1-1481/83 — JRC)

Mr Richard, Member of the Commission. — As I understand the position, Mr President, Mr Davignon indicated to the Committee on Energy, Research and Technology and the Committee on Budgets in the earlier part of this week that the Commission was looking again at the proposal. In those circumstances, we in the Commission think it would be sensible to let us look at it before Parliament continues its voting procedure. Therefore, if the House approves, the Commission would very much prefer to come back to this next month, by which time I hope the position will be very much clearer.

¹ Petitions — Written statements (Rule 49 of the Rules of Procedure) — *Procedure without report*: See Minutes.

² See Annex.

Mr Seligman (ED). — Mrs Walz had to go away and asked me to speak on behalf of the committee. I move that this report be sent back to committee until the Commission comes forward with a new proposal.

(Parliament agreed to the request for referral)

ISRAEL REPORT (DOC. 1-1531/83 — CHILE)

Preamble: after recital M and after the vote on Amendment No 15

Mr Ligios (PPE). — *(IT)* Mr President, since we shall have to go on voting for at least another two hours, it would be as well if the rapporteurs, of whom I am one, confined themselves as far as possible to giving a 'yes' or 'no' answer; otherwise we shall finish at God knows what time tomorrow morning.

Mrs Elaine Kellett-Bowman (ED). — If I heard correctly, Mr Israël gave his own opinion as well as that of the committee. Surely it is only in order for him to give the committee's opinion?

President. — The rapporteur gives his opinion as such. If he is entitled to add a personal comment, that is no reason why the House should give his opinion any the less attentive a hearing.

Mr Israël (DEP). — *(FR)* Mr President, Mrs Kellett-Bowman has totally misunderstood me. In order to go as quickly as Mr Ligios wished I abbreviated what I had to say, but in fact the committee is against Lady Elles' amendment. It adopted its position by a very clear vote. The rapporteur has done nothing which could be regarded as illogical or dishonest.

IN THE CHAIR: MR DANKERT

President

After paragraph 9 — Amendment No 22

Mr Pasquale (COM). — *(IT)* Mr President, we agree to remove the reference to Manuel Almeida provided that the amendment contains a request for the immediate release of all political prisoners and for precise information about them.

BOCKLET REPORT (DOC. 1-50/84 — AGRICULTURAL STRUCTURES)

After the vote on the proposal for a regulation and before the vote on the motion for a resolution

Mr Johnson (ED). — Mr President, before you move on to that, could you possibly ask the Commission whether they are going to accept Amendment No 12 which involved adding the words 'and the environment'?

President. — Under the Rules of Procedure the only one who may put questions to the Commission in this context is either the rapporteur or the committee chairman.

Mr Johnson (ED). — Well, would you mind asking Mr Bocklet whether he would be kind enough to ask the Commission whether the Commission will accept Amendment No 12?

(Laughter)

President. — That is a very nice way out of it, Mr Johnson.

Mr Bocklet (PPE), rapporteur. — *(DE)* Mr Johnson, the debate concluded with a statement from Commissioner Dalsager, in which he put the Commission's viewpoint very clearly. Your question is already answered in the Commission proposal, which includes the very matter that concerns you. It says that certain structural measures may be geared towards environmental protection.

VITALE REPORT (DOC. 1-70/84 — AGRICULTURAL DEVELOPMENT IN THE WEST OF IRELAND)

Mr von der Vring (S). — *(DE)* Mr President, two weeks ago we worked out a kind of package deal with Mr Klepsch, when he was in the Chair. Could you not ask the House whether all the amendments tabled by the Committee on Agriculture could not be voted on in one package? If nobody has any objections, we can do it this way.

President. — Does the House agree to this proposal?

Mr Simmonds (ED). — Mr President, with the exception of Amendments Nos 1 and 10, I am quite prepared for the rest to be taken *en bloc*.

(Parliament agreed to this procedure)

IN THE CHAIR: MR ESTGEN

Vice-President

DALSASS REPORT (DOC. 1-64/84 — SPIRITUOUS BEVERAGES)

Mr Dalsass (PPE), rapporteur. — *(DE)* Mr President, I should like to propose that we proceed now exactly as we did with the previous report, that is to say, that we first vote on all the amendments tabled by the Committee on Agriculture. That will speed things up considerably, if nobody has any objection.

There is one other thing that I should like to say: there is a typist's error in Amendment No 17 by the Committee on Agriculture. Indent (d) has been omitted. I have already pointed this out to the secretariat of the Committee on Agriculture.

President. — We shall do as you wish, insofar as this is possible.

Mr Helms (PPE). — *(DE)* Mr President, we should agree to this proposal by the rapporteur, Mr Dalsass. I withdraw my Amendment No 34.

Before the vote on the second Ligios report (Doc. 1-48/84)

Mr Edward Kellett-Bowman (ED). — On a point of order, Mr President, all this talk about wine, wine tax, alcohol, and even medicine, makes one feel thirsty. We have been voting for nearly 2 1/2 hours. Five minutes for coffee might be appropriate.

Mr Ligios (PPE). — *(IT)* I am against, Mr President. We all have to catch the last aeroplanes leaving for our own countries!

President. — Personally I am very much in sympathy with this proposal that the sitting be suspended, because the President too gets tired. However, I am afraid that if we once left this Chamber, we would never come back again. That is, after all, what a nice glass of wine does for you.

(Laughter)

Alright then, we shall continue.

HOPPER REPORT (DOC. 1-49/84 — HARMONIZATION OF THE STRUCTURE OF TAXATION OF ALCOHOLIC DRINKS)

After the vote on all the amendments

Mr Hopper (ED), rapporteur. — I just wish to draw the attention of the House to the fact that the Right Honourable Member for Greater Manchester North, who spoke so passionately against this report yesterday, has not even taken the trouble to be present to vote. I wonder if the interpreters can find an expression in their own languages for 'handsome is as handsome does'.

After the adoption of the resolution.

Mr Enright (S). — Mr President, I wish to make a point of order, which is at the same time a personal statement.

It is typical of the discourtesy of the other side that they should name someone. Mrs Castle is my leader. I am proud of it, and she stayed until midnight last night in order to be present at the vote. It is typical of the discourtesy that you people customarily display!

Mrs Elaine Kellett-Bowman (ED). — May I ask, Mr President, whether you can enquire of the Honourable Member who has just spoken whether that is her final discourtesy on this matter before the House?

LENZ REPORT (DOC. 1-56/84 — CENTRAL AMERICA)

Mr D'Angelosante (COM). — *(IT)* Mr President, we feel that this document is entirely inadequate, especially in view of the recent serious events. Furthermore, we have reason to doubt that there is now a sufficient number of Members in the Chamber, and we therefore ask that it be ascertained whether or not there is a quorum.

(More than ten Members rose to support the request — The President noted that a quorum was not present)

President. — The vote on this report is therefore held over until the next sitting.

IN THE CHAIR : MR PFLIMLIN

Vice-President

3. Budgetary policy for 1985

President. — The next item is the report (Doc. 1-79/84) by Mrs Schrivener, on behalf of the Committee on Budgets, on the guidelines for the budgetary policy of the Communities for 1985.

Mrs Scrivener (L), rapporteur. — *(FR)* Mr President, ladies and gentlemen, this is the second year running that I have been commissioned by the Committee on Budgets to present the budgetary guidelines for the coming financial year.

In 1983 we were able to put forward our view within a relatively clear framework. Although the Community was already facing serious constraints, it was at least felt that the funds available in the budget allowed a certain degree of flexibility and the development of certain policies.

This view proved to be unrealistic. By October, the budgetary authority had to draw up a supplementary budget requiring maximum use of the income from VAT. It is now clear that the 1984 budget will involve a deficit of between 1 500 and 2 000 m ECU. The measures for financing expenditure for the 1984 financial year have not been decided nor has the financial framework within which the President of Parliament will have to draw up the 1985 budget been established.

Consequently, one has to ask whether there is any point in a document fixing at this time the guidelines for the Community's 1985 budgetary policy. Doubts were expressed in the Committee on Budgets on the advisability of doing so, but it was decided by a majority vote to present these guidelines to the House.

The vote on budgetary guidelines, which are by their very nature and of necessity qualitative, is useful for two reasons. On the one hand, Parliament should make clear to the Commission, which draws up the

Scrivener

preliminary draft budget, and to the Council the priorities which it intends to defend throughout the whole budgetary procedure. This is all the more important in view of the fact that Parliament will not have the opportunity of debating them before the Council adopts the draft budget.

These guidelines will form the basis of our delegation's mandate during the conciliation procedure with the Council and at the same time provide the newly-elected Parliament with a point of reference when the final phase of the budgetary procedure begins. Furthermore, the Committee on Budgets wishes to point out concisely the basic elements of Parliament's position with regard to the budget and to lay down guidelines for allocating appropriations.

To begin with, the current budgetary situation is no longer tenable. The financial difficulties are putting at risk what the Community has already achieved particularly in the area of agriculture, they are impeding the development of new policies and they are the root cause of the emergence of situations unacceptable to certain Member States. Parliament believes that the time has come to take a decision within the framework of an overall approach. Certain progress has already been made in reducing the structural surpluses of the common agricultural policy, but there is still a lot to be done. Community financing has to be made more effective in a way which goes beyond simple budgetary discipline; new policies and new actions have to be developed on a rational basis once it has been decided which policies should be implemented and financed as a matter of priority at Community level, and a definitive solution has to be found to the unacceptable situation in which certain Member States find themselves, while at the same time respecting the principle of financial solidarity.

Moreover, Parliament feels it essential that budgetary constraints should not be confined exclusively to structural policies. We know that the Community will not recover any degree of financial security before 1986. In the meantime, no matter what palliatives are introduced — loans, advances from the Member States, national contributions — the Community will have to keep going with reduced resources.

Parliament is well aware of the need for budgetary discipline aimed at preventing the creation of non-productive expenditure and eliminating that which already exists. However, those policies which are laying the foundations for the future in the industrial, social and regional spheres should not be sacrificed.

What then will be our policy for the 1985 financial year? A report on budgetary policy is not the place to lay down very precise norms for each of the policies, particularly when the economic situation is so uncertain. In general, the Committee on Budgets felt that the priorities of the 1983 and 1984 financial years — fight against unemployment and hunger in the world — should be pursued. This choice is unassailable

since, despite the efforts of the Member States and the Community itself, unemployment and hunger in the world are the issues which concern our citizens most deeply.

These, Mr President, ladies and gentlemen, are the guidelines for the 1985 budget for which the Committee on Budgets asks your support. We have tried to draw up as detailed a document as possible, taking into account the serious uncertainties regarding the future, and indeed the immediate future, of the Community budget. Despite the fact that this debate is taking place so late in the evening, I think it is important that the text should receive the widest possible support. The whole budgetary procedure will be simplified if the goals are clearly defined at the outset.

As I have to leave, Mr President, I would add that the amendments which have been tabled, were not submitted to the Committee on Budgets, although I am not basically opposed to some of them. Moreover, I feel that they upset both the substance and the form of the document. I therefore wish at this time to state that, for the reasons which I have just mentioned, I am against all the amendments which have been tabled.

I again apologize, Mr President, for not being present to listen to my colleagues or the Commission, and I hope that the House will deliver a favourable opinion on this document.

Mr Purvis (ED), *deputy draftsman of an opinion for the Committee on Energy, Research and Technology*. — Mr President, I have been asked at the last minute to stand in for the draftsman of the Committee on Energy's opinion, who, I understand, feels he has a very difficult electoral problem somewhere in the United Kingdom and has had to return post haste to safeguard his position.

I am concerned that Mrs Scrivener is leaving and that she has said she is not going to accept any of the amendments that have been put forward. Sometimes in the spending committees we are beginning to get concerned that the Committee on Budgets is becoming somewhat over-arrogant in its attitude to what seem to be considered the subordinate spending committees. Therefore, as the stand-in draftsman, I would like to move and explain the reasons for the four amendments in the name of the Committee on Energy, Research and Technology.

A possible criticism of the Scrivener report is that it fails to lay down specific priorities for the 1985 budget. It is too general and too diffuse. Our Amendment No 1 seeks to establish energy and research policies as the main priority areas 'as a means of restoring the Community economy and combating unemployment'. It is useful to remind people that the recent economic depression was caused by an energy crisis, against which the Community could not defend itself because, at that time, it had no energy policy.

Purvis

Amendment No 2 seeks to strengthen cooperation with developing countries in the energy sector. This is consistent with the Scrivener report which, in paragraph 6 of its motion for a resolution, proclaims the twin targets of the fight against unemployment and hunger in the world.

Amendment No 3 makes the all important point for research policy that the ESPRIT programme, although it must be pursued vigorously and with adequate resources, cannot in any way be paid for by cuts in spending in other Community research programmes. This would amount to the total destruction of Community research policy, and I would appreciate an assurance from the Commission that they have not entered into any commitments regarding the financing of ESPRIT at the expense of other areas of research.

Amendment No 4 gives the Committee on Energy, Research and Technology a direct mandate from Parliament as a whole to draw up a detailed and definitive report on staffing at the Joint Research Centre in conjunction with the 1985 budget procedure. This would not just be another general report on the Centre or its research programme. It would make an in-depth analysis of the specific problem of staffing at the JRC.

On behalf of the Committee on Energy, Research and Technology, I commend these amendments to the House and hope that Mr Lange will add his support when he speaks in a minute or two.

Mrs Kalliopi Nikolaou (S). — (GR) Mr President, at the beginning of each year, in accordance with the Community's financial procedure, Parliament formulates a resolution on the budgetary guidelines for the following year. Because of the European elections in June we have a special situation this year which means that although this present Parliament is laying out the objectives, the task of carrying through the rest of the procedure for the 1985 budget will fall to the newly-constituted Parliament.

We must bear this special situation in mind as we consider the Scrivener report, which was drafted with the main criterion of sustaining parliamentary continuity without binding the new Parliament to be elected in June. It is particularly disheartening that we have reached the end of our term and are moving towards elections without having solved any of the Community's crucial problems. The European economy is still in recession, unemployment is worsening and the competitiveness of European industry is falling all the time.

For the Socialist Group the notion of overcoming the crisis solely through the efforts of private capital is not reconcilable with the objective of full employment and with the interests of working people generally. It is the working people of Europe who are paying for

the recession as they lose their jobs and see their living standards fall. They want, and are entitled to, a real say in the handling of the crisis, and they know that this is not something which can be provided within the individual Member State framework. What is needed is a bold and clear-sighted common policy for investment and industrial research embracing all investment sources — private investment, cooperatives and State bodies — which will provide support for small and medium-sized undertakings, help towards reducing regional disparities and take account of social and, in particular, environmental considerations,

We welcome the fact that the present Parliament is asking the next one to give absolute priority to combating unemployment and world hunger. But we are passing it the baton without the necessary alterations in Community policies and without the new policies which could give a significant impetus to these objectives. The guidelines set out in the mandate of 30 May and the conclusions of the Stuttgart Summit have remained dead letters, and the hopes raised by the two summits in Athens and Brussels have also proved false.

In recent years the Socialist Group has played a leading role in the pressure which has been exerted for the development of new policies and the reform of the common agricultural policy, which would permit a restructuring of the budget and a strengthening of its redistributive role. When the general budgetary guidelines were being formulated, we tried in particular to get specific references to the major problems currently facing the Community included in the report, and to link the proposed solutions to the positions taken by the Socialist Group on the problem of European economic recovery. However, there are several omissions with regard to areas like enlargement, the Mediterranean programmes, small and medium-sized undertakings and the environment on which the Socialist Group has fought especially hard over recent years. We have therefore put down specific amendments and hope that these will receive the House's support.

The Socialist Group will vote for the Scrivener report in the hope that after the elections the new Parliament will be so constituted as to allow the Socialists to promote the interests of working people more effectively and to strengthen the solidarity of the European peoples.

Mr Price (ED). — Mr President, the main problem in formulating the 1985 budget is, of course, that unless great determination is shown, spending on disposing of agricultural surpluses will consume money which should be spent on our real needs. In other words, we shall be spending more on what we do not want and less on what we do want.

Paragraphs 6 and 7 of the motion for a resolution set out Parliament's priorities. My group supports them

Price

and the resolution as a whole. The Commission and the Council should note that these priorities do not include spending more money on European agriculture. They *do* stress very basic needs: jobs in Europe and combating hunger in other parts of the world. These needs must not be sacrificed.

The pressure of operating within the 1 % VAT ceiling should also cause the Commission to see whether they can give us better value for money. In any budget of this size, there must be some scope for savings and greater efficiency.

I hope the Commission will respond to the budgetary situation with some innovative ideas as well as tight management. All of us hope that the preliminary draft budget for 1985 can be presented against a background of harmony over the longer-term future. We, in this group, are watching the discussions in the Council with great concern.

Mr President, we hope that there will soon be a successful outcome as a background for the 1985 budget.

Mr Richard, Member of the Commission. — Mr President, could I start by echoing the last sentence that has just been uttered? Of course we all hope that there will be a successful resolution to the discussions at present taking place in the Council. If there is a successful resolution to those discussions, naturally the position on the 1985 budget becomes totally different than if there is not a successful outcome to those discussions. May I say, therefore, that the Commission shares the view just expressed that an early outcome to those discussions would be thoroughly desirable.

The resolution adopted by Parliament in March last year on the guidelines to a budgetary policy for the Community was a clear, concise and indeed timely document. The motion for a resolution now before the House, concerning the 1985 budget year, combines the attributes of last year's resolution with an explicit recognition of the difficulties that the Community now faces. The main thrust of the draft report prepared by Mrs Scrivener is that, as there has been no appreciable change in the economic situation, it would be right for Parliament to renew the guidelines for the budgetary policy which it adopted for 1983 and 1984.

In order to fulfil these objectives, the Committee on Budgets suggests that emphasis should be placed on improving employment opportunities, especially by promoting training in the use of new technologies, on boosting productive investment and on supporting those activities vital for economic development, such as research, energy strategy and transport infrastructure. The committee also advocates that there should be a more balanced distribution of activities

throughout the Community. With regard to aid to the developing countries, emphasis should be placed both on material assistance and the training of manpower.

Encouragement, through the budget, of actions such as these features prominently in the Commission's priorities. Thus there is considerable harmony in the general approach by our respective institutions. The Commission will follow attentively what has emerged during this debate and indeed in the resolution.

The main thrust of the motion for a resolution now before the House is perhaps essentially the same as that debated last year. I suppose that the best contribution that I can make therefore to this discussion would be to draw attention to a number of particular problems which arise now that the Community is hard up against the own resources limit.

First, there is the rate of growth of potential own resources which is likely to be no more than 3.2 % over the level in the current budget. Expressed in units of account, the increase in money terms is only some 850 m units. In real terms this means virtual stagnation.

Secondly, there is the burden which must be borne in the 1985 budget as a result of decisions taken before the beginning of the 1985 financial year.

Agricultural guarantee expenditure, for example, will be affected, obviously, by the decisions on prices and related measures for the 1984-85 year which have recently been taken. But the House will recall that the Commission's initial proposals would have contributed savings of over 2 000 million units of account in 1985, had they been adopted. The decisions taken by the Ministers for Agriculture just over a week ago, bold, indeed, as they were, nonetheless mean that little, if any, of this economy will remain. The Commission has yet to make a precise estimate of what it thinks agricultural guarantee expenditure will amount to in 1985, but it may exceed the budgeted level for 1984 by as much as 2 500 million units of account.

As regards non-agricultural expenditure, the rapid rate of increase in commitment appropriations means that payments in order to discharge those commitments which fall due in 1985 will be considerable. The most recent estimate suggests that in 1985 it will be necessary to make available some 3 200 million units of account in payment appropriations simply to discharge obligations flowing from existing commitments. This figure, of course, excludes any sums which would be needed to finance payments arising from new commitments entered into in 1985.

I think it would be irresponsible, Mr President, for the Commission not to put these figures and these considerations on the table before the House. They are obviously among the parameters within which decisions on the 1985 budget will have to be taken.

Richard

The Commission is currently looking at ways of coping with the difficulties which these elements present for the preparation of the 1985 budget. In addition, we are, as President Thorn has indicated, also considering what steps could be taken to find the means necessary to finance the EAGGF (Guarantee) during the latter part of this year. At the moment the Commission is considering all its options. I would expect a proposal to emerge towards the latter half of the month. That proposal will obviously have implications, not only for 1984 but also for 1985.

It goes without saying that the Commission will continue its efforts. It hopes to ensure that decisions concerning new potential 'own resources' are taken at the earliest possible date. Nonetheless, as the report from the committee points out, it is not possible to prepare the 1985 budget on the basis that such additional resources will certainly be available.

Mr President, that is the sombre background against which the Commission considers it is necessary to set the budget procedure for 1985. The Commission would like to assure the House of its full cooperation, which will be decided and which will be designed to facilitate the adoption by part of it of the budget for 1985.

Mr Lange (S), Chairman of the Committee on Budgets. — (DE) Mr President, ladies and gentlemen, just now, as Mr Purvis was speaking, I interrupted him, but I was only trying to get something across to him. He had just used an expression which he really should not use in this House. He described the Committee on Budgets as 'over-arrogant'. Nobody in our committee would even dream of behaving arrogantly or doing down other committees.

I am very much in sympathy with the propositions put forward by the Committee on Energy, Research and Technology, but the proper place to consider them is when the actual budget is being debated. Propositions set out in such detail cannot be taken into consideration at this time, if only for the reason — and this was the considered opinion of the Committee on Budgets — that other committees have been less industrious in their approach to these matters and have not submitted any propositions to us.

This has been done by the Committee on Energy, Research and Technology and two other committees, but since we have fifteen other committees in all to deal with, we would not, without running into difficulties, take on board the propositions of individual committees in the full detail in which they were presented. The same is true of the claims put forward just now by Mrs Nikolaou on behalf of her group. They also would basically bring us into deep water. It is all very well to talk here simply and ingenuously about 'Mediterranean regions', but later on, when it comes to a matter of monies that have to be spent, we shall have to be quite clear about what we mean by 'Mediterranean regions'.

With regard to the proposals put forward by the Committee on Energy, Research and Technology, the Committee on Transport and the Socialist Group, the place for all these is, in principle, in the actual deliberations on the budget. The guidelines are, after all, not yet budgetary decisions but merely — as the Commission has very correctly pointed out — guidelines that may be followed. It is when the budget is being hammered out that all those measures must be packed in that are needed to attain the objectives that have been set out here in this House. After all, all the objectives that you have once again set out in detail are fully covered by the Committee on Budgets in the guidelines. There is nothing contradictory about this. At this stage, however, we cannot come out and place undue emphasis on one point or another, because this would mean that our guidelines would become one-sided. Parliament must see to it that one or other point is not represented to the Commission and to the Council as being particularly important, while other points are neglected.

Our primary objective is to combat unemployment with all the instruments at our disposal. These include everything that has been proposed to us here. Our second objective is to combat hunger in the world. In this way we shall try to see to it that, notwithstanding our meagre resources, a budget is forged that will enable the Community to make some political progress in 1984.

During the May part-session we shall have a further opportunity to have separate discussions on such matters as budgetary discipline, financing and own resources. Some people will naturally be inclined to try to introduce the matter we have just been talking about into these discussions, but I would like to prevent that happening.

I can only repeat therefore what Mrs Scrivener has already said: various people will feel that these guidelines as formulated are too general, but if they are to remain the kind of balanced guidelines that we want, the amendments that have been tabled ought really to be withdrawn. If we cannot or will not do this, then I can only recommend that they be rejected.

President. — The debate is closed.

*Vote¹**4. Agreement between the Swiss Confederation and the EEC*

President. — the next item is the report (Doc. 1-88/84) by Mr d'Angelosante, on behalf of the Legal Affairs Committee, on the

proposals from the Commission to the Council (Doc. 1-58/83 — COM(83) 106 final) for

¹ See Annex

President

I. a decision on the conclusion of the Agreement between the Swiss Confederation and the European Economic Community concerning direct insurance other than life assurance

II. a directive on the implementation of the Agreement between the Swiss Confederation and the European Economic Community concerning direct insurance other than life assurance.

Mr Tyrrell (ED). — Mr President, it is a pity that pressure on parliamentary time has meant that this debate is taking place so late. The rapporteur has had to leave, and I did not expect to be called first to speak. The proposed agreement with the Swiss for the granting of reciprocal rights to a free market in services does raise important points of principle which concerned us on the Legal Affairs Committee, and I hope will also concern this House.

We support the principle that the Commission should enter into agreements with third countries to grant reciprocal trading rights in services. We are particularly willing to support such an agreement with such a close neighbour and friend of the Community as Switzerland. Unfortunately, the present agreement, as proposed by the Commission and negotiated with the Swiss, does not present us with an equal bargain. The Swiss market is a small market. The Community market is a large one. But the Swiss insurance industry is poised to take advantage of the opportunities which this agreement will give them without giving equal opportunity to Community insurance companies to operate in Switzerland. So, the main criticism we have of the proposed agreement is that it does not grant equal advantage. We would have no complaint if the opportunities were equal.

There were three particular inequalities, two of which have been highlighted by the Legal Affairs Committee in its opinion on the proposed agreement, and the third is the subject of an amendment by my colleague, Mr Welsh, which I hope will be passed. The third one is fairly symptomatic of the agreement as a whole. It means that the Swiss insurance companies will have access to 90 % of fire insurance in the Community, but Community insurance companies will only have access to about 50 % of the fire insurance market in Switzerland. So you see what I meant when I said that the agreement is unequal.

We are still awaiting, and have been awaiting for many years, the second services directive in the Community. It will come, but we would be fooling ourselves if we thought we already had a common market in insurance in the Community because we have not. In these circumstances, it seems to us that it is premature to be entering into an agreement with a third country until we have at least first established our own position. It is not only Switzerland that this

agreement was going to apply to, then one might well say Switzerland is a small country and it is not going to make much difference. Unfortunately, the Commission did tell us in committee that they expected this agreement to be a prototype. Certainly we would expect to see it, if adopted in the case of Switzerland, also adopted for most of the other EFTA countries. Indeed, the Commission went so far as to tell the committee that this would be a prototype for an agreement with the United States, or might well be so. In those circumstances we do need to look at it with great care. We think the Commission has not got it right. We hope it will get it right and that it will not proceed to place this proposal before the Council until it has got it completely right.

Mr Richard, Member of the Commission. — Mr President, let me first say something about the last point Mr Tyrrell made. I think it would be somewhat false to look at this as if it were a prototype for other agreements. Indeed the Council of Ministers, as I understand it, has said specifically that it should not be regarded as a prototype for further agreements. It is against that background that I propose to say what I wish to say today.

Let me first say something about the background to the agreement. It is the subject of an admirable report by Mr D'Angelosante, and the Commission is grateful for the work Parliament has done on it. This is the first agreement in the insurance sector with a non-member country. It does provide for equal treatment of Swiss and Community non-life insurance undertakings on a basis of reciprocity and for equal competition. The report of the Legal Affairs Committee rightly refers to the particular importance of the agreement. A number of technical agreements of various kinds have, of course, already been concluded between the Community and Switzerland. This is the first instance in an important sector of the services industry, namely insurance, where existing barriers to trade between the Community and a non-member country are to be removed.

As Parliament knows, the dismantling of international barriers to trade in the services sector has been receiving increasing attention in recent years, notably in the framework of the GATT and the OECD. We do have some hopes that this agreement will act as a political touchstone for the work going on internationally. Within the Community the first non-life insurance directive of 1973 had already enabled effective use to be made of freedom of establishment for non-life insurance undertakings. I consider it to be a point of great significance that, through the agreement under consideration today, Switzerland is stating its readiness to incorporate verbatim into its insurance legislation almost all the provisions of the 1973 directive.

Richard

It has been argued that the existence of Swiss cantonal monopoly institutions excludes a great deal of the Swiss fire insurance market for Community insurers. As the Commission has already replied to a written question from Mr Welsh, the agreement had to take as its basis, as regards the exclusion of certain Swiss cantonal monopoly institutions, the same provisions as those laid down in Directive 73/239 regarding the exclusion of certain insurance monopolies in the Member States. Certainly the list of Swiss monopolies excluded from the agreement is much longer than that of the directive. In spite of that, one-half of the Swiss insurance market is still open to Community insurers. On the other hand, certain social insurances, which in the Community are State-monopolized, are open to private insurers in Switzerland.

Finally, I have to point out that the existence of cantonal monopolies is a Swiss constitutional problem. I am sure Parliament will understand that whatever else we can do, this agreement cannot modify the Swiss Constitution.

Certain points of detail were raised by the Legal Affairs Committee which I could deal with in some detail. It would seem to me to be more important at this stage, given the paucity of representation in Parliament at the moment and the non-technical nature of the information at my disposal, that I should merely thank Parliament yet again for the report and hope that it will be adopted.

President. — The debate is closed.

*Vote*¹

5. Customs debt

President. — The next item is the report (Doc. 1-87/84) by Mr D'Angelosante, on behalf of the Legal Affairs Committee, on the

proposal from the Commission to the Council (Doc. 1-1166/82 — COM(82) 792 final) for a regulation on determining the persons liable for payment of a customs debt.

Mr Richard, Member of the Commission. — Mr President, I can be very brief. On behalf of the Commission I would like to thank Parliament, its competent committees and, in particular, the rapporteur for their work and the spirit in which they have done it, backing and, indeed, encouraging the work of the Commission in this field and leading to an improvement in the functioning of the customs union of the Community. Therefore, it gives us pleasure to accept the report.

President. — The debate is closed.

¹ See Annex.

*Vote*¹

6. Food aid

President. — The next item is the report (Doc. 1-116/84) by Mrs Focke, on behalf of the Committee on Development and Cooperation, on the:

proposal from the Commission to the Council (Doc. 1-1235/83 — COM(83) 695 final) for a regulation on the implementation in relation to food of alternative operations in place of food aid.

Mr Enright (S), deputy rapporteur. — Mrs Focke has asked me formally to introduce this report. I shall not detain this House by making a speech. However, I would like to say that this report and Mr Lezzi's report which follows it are extremely important and that I think it absurd that we wasted all that time yesterday on an urgent debate on increasing the population of Europe when we cannot discuss in depth two extremely important reports like these.

Mr Richard, Member of the Commission. — Mr President, the Commission expresses its satisfaction with the favourable reception Parliament has extended to the Commission's proposal concerning operations alternative to food aid. The regulation proposed by the Commission, being examined presently by the Council, to a large extent translates ideas and suggestions formulated by Parliament in its various debates. Moreover, the Commission appreciates the explicit statement that the reference made to the food-aid framework regulation should not retard the implementation of the intended operations alternative to food aid.

We note that the approval of the proposed regulation does not in any way constitute an acceptance by Parliament of this food-aid framework regulation. The Commission wants to emphasize that the proposed regulation is, from a legal point of view, independent of the Council regulation. It is in this light, Mr President, that the Commission will examine the possibilities to be put into practice, taking into account Parliament's resolution and also the need to have within a reasonable period of time an adequate procedure for these alternative operations.

President. — The debate is closed

*Vote*¹

We shall continue with the report (Doc. 1-119/84) by Mr Lezzi, on behalf of the Committee on Development and Cooperation, on the:

¹ See Annex.

President

proposal from the Commission to the Council (Doc. 1-1453/83 — COM(84)26 final) for a regulation laying down implementing rules for Regulation (EEC) No 3331/82 on food-aid policy and food-aid management.

Also included in the debate are the following oral questions with debate :

— by Mr Eisma and others (Doc. 1-21/84 to the Commission

Subject : Efficiency of Community food aid

The authors,

- recalling the resolution of 17 February 1982 (Doc. 1-1039/81) on hunger in the world,
 - considering that food aid forms only part of an effective and long-term integrated development policy,
 - seriously concerned at the mismanagement of and lack of control over the use of Community funds set aside for food aid, as appears from the 1982 annual report by the Court of Auditors (OJ C 357, 31 December 1983),
 - in anticipation of the report of the European Parliament's Committee on Budgetary Control on the 1982 annual report of the Court of Auditors,
 - regretting that Parliament is only able to learn of irregularities connected with food aid one year after the financial year in question,
 - believing that steps must be taken to combat the inefficiency of the food-aid programme as soon as possible,
 - aware that bureaucratic and other reasons may be claiming victims every day because food aid intended for them does not reach them, and that action must therefore be taken as soon as possible,
 - whereas a number of elementary technical deficiencies relating to food aid have been pointed out to the Commission since 1978,
1. Ask the Commission whether it is prepared to : request the Court of Auditors to notify Parliament at the same time as the Commission as soon as irregularities in the food-aid programme have been established, so that Parliament will be better able to perform its supervisory function ;
 2. Indicate whether Regulation No 3331/82 succeeded in cutting the delays in supplying food aid in 1983 ;
 3. Indicate, for those countries which have been eligible for Community food aid since 1 January 1983, how long it has taken to make food shipments ;
 4. Organize its administration in such a way that it is able to monitor the impact of food aid in a flexible and effective manner.

By Mr C. Jackson and others (Doc. 1-23/84) to the Commission

Subject : European Community Food Aid Programme
Successive reports of the Court of Auditors during this Parliament have pointed out weaknesses in

the operation of the European Community's food aid programme, including delays and problems concerning quality, packaging, delivery and utilization.

Will the Commission detail the further moves it is making to deal with the administrative weaknesses revealed by the Court of Auditors reports, in particular those relating to mobilization of food aid and relations between DG VI and DG VIII ?

Mr Enright (S), deputy rapporteur. — Mr President, I formally introduce Mr Lezzi's report, and I thank the Commission for the speed with which it is prepared to go into action once we give it the green light for the proposed regulation. That is most commendable.

Mr Richard, Member of the Commission. — Mr President, I shall be pleased to deal both with the report and with the oral question together.

As far as the report is concerned, the Commission welcomes the intention, as stated in the report of the Committee on Development and Cooperation, to give a favourable opinion on this proposed regulation. It is also noted that this global approval does not constitute in any way an acceptance of the food-aid framework regulation No 3331/82. The Commission recalls that the food-aid quantities specified in Annex 1 of the regulation correspond to appropriations decided by the budgetary authority. It can inform Parliament that in the Council, where discussions on this Regulation are already quite advanced, it is clear that these quantities will be acceptable. The Commission also informs Parliament that it intends to propose for 1984 a number of food-aid operations in support of multi-annual development actions, in accordance with the suggestions formulated by Parliament on previous occasions.

At this stage the Commission does not envisage proposing a new framework regulation. Indeed, the Commission is of the opinion that the present regulation constitutes a compromise incorporating important concessions by the Council. It has brought about a distinctive improvement in decisions and implementation procedures. Amendments and further improvements could perhaps be envisaged on the basis of further concrete experience.

In answer to the question put by Mr Jackson, the Commission is, of course, aware of the various problems pointed out in the reports of the Court of Auditors and referred to in the Honourable Members' question. The Commission has already implemented various administrative measures to deal with the problems mentioned in the reports, for example to accelerate deliveries. As far as packaging is concerned, Commission Regulation No 1354/83 of 17 May 1983 contains *inter alia* various measures for improvements.

I do not intend to go into more detail at this stage. The Commission intends to supply more information

Richard

during the debate on the discharge which has been postponed until September. Perhaps I might repeat what Mr Tugendhat said on Tuesday of this week in reply to Mrs Boserup's report: 'The Commission undertakes to provide Parliament with further detailed replies to the criticisms and to submit proposals before the end of September of this year.'

Mr C. Jackson (ED). — Mr President, in response to the Commissioner's remarks — which I welcome insofar as they refer to accelerated deliveries and the provision of more information — I would like to make three comments.

The Commissioner is, of course perfectly well aware of the disquiet in this House about the situation with regard to food aid. I think that we will have to ask in September or October for a full debate on the subject of food aid, and I would now like to ask the Commission to provide not only the answers to the questions raised in the context of the budget discharge but also the broader questions raised in the two oral questions. I would like to say to the Commission also that I think — though we cannot be certain about this until we have had the full report later on this year — that we will need to call for a second special report by the Court of Auditors, in order to clarify the entire situation, which is, as I remarked earlier, giving rise to great disquiet.

We are concerned that food aid should reach those experiencing hunger effectively and fast. We are also very concerned that the taxpayer's money should be effectively used. These two concerns of ours can only be resolved now by the fullest of reports.

President.— The debate is closed.

*Vote*¹*7. Air transport*

President.— The next item is the report (Doc. 1-1551/3) by Mr Ripa di Meana, on behalf of the Committee on Transport, on the safety of air transport in Europe.

Mr Ripa di Meana (S), rapporteur. — (IT) Mr President, ladies and gentlemen, the life of the first elected European Parliament is drawing to a close, and it is only just on my part to offer public recognition of the enormous contribution made by our staff and services to our work during these five years. The high quality of our services, the dedication and the competence of our officials are a strong point of this Parliament, and I salute the valuable assistance they have given us in the person of Mr Jean-Louis Berton and the entire secretariat of the Committee on Transport, whose help in the preparation of this difficult report has been of tremendous importance.

¹ See Annex.

The committee's point of departure when deciding to draw up a report on the safety of air transport was the motion for a resolution tabled by Mr De Pasquale and others, which was mainly concerned with the dangers of air transport in the south of Italy, especially in the area contained between the islands of Ponza and Ustica. It referred to the numerous 'near misses' observed over many years in this area between civil and military aircraft. It is particularly disturbing to find that today, four years after the tragedy of the Itavia DC 9, which exploded while in flight with the loss of 80 human lives, the Italian authorities and the courts have still not completed their inquiries and established the cause of this disaster.

Extending this subject to the wider one of air transport in general, we asked ourselves two fundamental questions. Is the present high degree of air safety, which cannot be disputed by anyone, capable of further improvement? That is to say, is any further reduction — and a considerable reduction at that — possible in the number of accidents and their consequences? Is there any guarantee that this high level of safety will be maintained in the years and decades to come?

The answer to the first of these questions may be found in a number of measures which can be taken to reduce further the number of accidents and near misses, to limit the effects of accidents and to promote what is called in the automobile world the 'passive safety' of aircraft.

The second question is rather more complex, concerning, as it does, the effects of profound changes that are emerging now, or may do so in the years to come, in the technological, economic and political situation.

Technologically, while it is true that the advance of automation makes it possible to cut down personnel and enhances the reliability of instruments, it has psychological consequences with regard to air safety which cannot be ignored: depersonalization, a psychologically-induced refusal to accept over-mechanization.

Economically, the austerity policies now being pursued may prompt airlines, particularly certain independent companies, to embark upon unjustified savings, some of which may be prejudicial to safety as regards both the maintenance of equipment and the recruitment and working conditions of the pilots. I would also mention, in passing, the existence of counterfeited spare parts, such as brakes or locking systems, which are the cause of some accidents.

Politically, I must at least mention once more the destruction of the Korean Airlines Boeing 747. Here we face a new source of danger to aerial navigation. This case of the destruction in flight of a civil aircraft

Ripa di Meana

with well-nigh 300 persons on board is the first of its kind to take place in a country which is neither at war nor undergoing a period of exceptional tension. When one recalls the immediate post-war years, the period of the cold war, and the fact that not a single case of this kind occurred during that period, one is forced to the conclusion that today we face a radicalization of international relations and of the kind of attitudes adopted in their regard.

This view is confirmed by the results reached so far by the expert commission set up to investigate the incident by the International Civil Aviation Organization (ICAO), which indicates that the Soviets made no attempt to identify the aircraft. This aircraft was in a prohibited zone and was destroyed for this reason, on the basis of a logic both implacable and new in its application.

Recent events provide another example of such incidents involving the Soviet Union, this time in the air corridor linking Berlin with the Federal Republic. Only a few days ago, on 5 April, an aircraft of Pan American Airways flying from Berlin to Frankfurt saw a Soviet fighter suddenly appear straight ahead at such a close distance as to threaten the safety of the American aircraft. This is not an isolated case of a near miss, for on 16 February a British Airways plane flying from Düsseldorf to Berlin found itself in a similar situation.

To be sure, in their desire to de-dramatize the situation, Western diplomats are reluctant to regard this sort of thing as a political signal and instead represent the air corridors to Berlin as being too crowded. At all events, the Allied forces have made a formal protest to the USSR. For my part, I am inclined to see here a particular form of intimidation born of the logic of which I have already spoken. Was it by chance that Alexander Koldunov, a senior Soviet officer, recently declared that the Soviet air force had reached a high level of efficiency and cited as an example the destruction of the South Korean aircraft on 1 September 1983?

To conclude my remarks on the air corridors to Berlin, I think it is urgently necessary to seek a solution that will put a stop to these incidents and to press for negotiations with the USSR.

All these things, taken together, have prompted the emergence of a wider view of air safety, a view based not only on the existence of rules and procedures but also on their application, a conception which includes the adoption of certain parameters (the introduction, for example, of the best radar techniques to monitor the movements of aircraft) in the belief — contrary to that of official opinion — that they directly concern safety, a conception that rejects the inevitable, never-ending pretext for failing to take action, a conception, finally, based on the idea that the safety of air trans-

port may be threatened by numerous economic, political and psychological factors which at first sight have nothing to do with air transport.

In this context, what is the role of the European Community?

I regret to say that, as regards political will, it does not exist. We overlook the fact that Europe is one of the world's great users of air transport and, at the same time, a producer of aeronautical equipment, as a result of which the Community has a double interest in matters of air safety. In the first place, we have to work for the highest possible standards of safety. The ICAO's current recommendations are applicable throughout the world and so inevitably cover countries in which the level of development varies very widely. Why, therefore, should the European Community not launch a movement to improve the safety standards of its own air services and recruit the cooperation of countries desirous of associating themselves with such a programme?

In the second place, economic interests are at stake, including a challenge to the United States, which at present lays down the law for the whole world in matters of air transport safety. To be sure, the rules are international, but in fact they emanate from the Federal Aviation Administration and the American airlines. When a European country has, for example, to improve its radar coverage, to whom does it apply? To the FAA! This can be seen today in Greece and in Spain. The economic repercussions of such a situation leap to the eye: and yet Europe could play a decisive part.

As regards air control equipment, this is a field where each Member State acts entirely independently: one finds that there is not the slightest desire either for European cooperation or even for exercising a Community preference.

At all events, I think there is no admission more cruel than one to be found in the Commission's second memorandum on civil aviation, which we are to debate at our next part-session. For the Commission, the problem of the safety of air transport is settled in two short lines: 'In the field of air safety, the Commission has not the expertise for any action on its part.'¹

It is easy, therefore, to assess the limits of a policy which sets out to be an air transport policy but which, in fact, is no more than a modest tariff policy.

In conclusion, I hope that as many Members as possible will be able to give their support to the elements that go to make up this motion for a resolution in order to further the development of air transport in the best possible safety conditions during the years to come.

¹ Doc. 164/84.

Mr Richard, Member of the Commission. — Mr President, merely a sentence to say that we congratulate Mr Ripa di Meana upon the comprehensiveness of the report itself and commiserate with him on the fact that it has been taken at a time when so few people are here to listen to it.

President. — The debate is closed.

Vote¹

After paragraph 24 — Amendments Nos 1 and 2 by Mr Ripa di Meana

Mr Edward Kellett-Bowman (ED). — Mr President, don't forget that Mr Ripa di Meana is the rapporteur acting on behalf of a committee. Is he moving his amendments on his own behalf or on behalf of the committee? That is an important point.

Mr Ripa di Meana (S), rapporteur. — (IT) The first amendment was approved by the committee, the second I presented in my own name. I am in favour of both.

¹ See Annex.

8. Hydrocarbons

President. — The next item is the report (Doc. 1-92/84) by Mr Protopapadakis, on behalf of the Committee on Energy, Research and Technology, on a Community energy tax on the consumption of hydrocarbons and its effects on energy policy.

Since no one has asked for the floor on this, we shall proceed directly to the vote on the motion for a resolution.¹

9. Adjournment of the session

President. — I declare the session of the European Parliament adjourned.²

(The sitting was closed at 2.05 p.m.)

¹ See Annex.

² Declarations entered in the register (Rule 49) — Forwarding of resolutions adopted during the sitting — Deadline for tabling amendments — Dates of next part-session: See Minutes.

ANNEX

Votes

The Report of Proceedings records in an annex the rapporteur's position on the various amendments as well as explanations of vote. For details of the voting the reader is referred to the Minutes of the sitting.

SEIBEL-EMMERLING REPORT (Doc. 1-108/84 — FOOD): ADOPTED

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GEROKOSTOPOULOS REPORT (Doc. 1-1534/83 — EUROPEAN TRADE MARKS OFFICE AND EUROPEAN CENTRE FOR SMALL AND MEDIUM-SIZED UNDERTAKINGS): ADOPTED

The rapporteur was :

— AGAINST Amendments Nos 1, 2, 4, to 7 and 9 to 11.

* * *

HAAGERUP REPORT (Doc. 1-1533/83 — HUMAN RIGHTS): ADOPTED

Explanation of vote

Mr Blaney (CDI), in writing. — According to its title this report concerns a structure to uphold human rights in the Community — I repeat, in the Community — and in the countries with which the Community has close ties.

It is therefore astonishing and regrettable that the motion we are to vote on contains no reference to respect for human rights in the Community. Is the implication supposed to be that everything within our 10 countries is so satisfactory that no such mention is needed? Or is it that there are situations that the rapporteur prefers not to mention?

If I may refer only to what I know well — and not for instance to conditions of detention or the rights of the defence — let me say that the situation about the respect for human rights in the six counties of the North of Ireland under British rule is certainly not satisfactory, and should have been mentioned as such.

I am sorry that in its recitals the report makes no mention of the motion on respect for human rights inside the Community which I tabled with other Members as long ago as 1980 and on which the Political Affairs Committee at that time decided not to make a report. Simply a mention of it would have helped to fill the gap.

This is a serious omission, and it makes our concern for human rights in countries closely linked with the Community appear less credible, not to say hypocritical.

It is only because I am deeply attached to respect for human rights everywhere — in all countries, not only those that are linked with the Community, and above all, because that is our special responsibility, in our own member countries — that I can bring myself to vote for this partial and inadequate document which Mr Haagerup has submitted to us.

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D'ORMESSON REPORT (Doc. 1-95/84 — EEC-SENEGAL): ADOPTED

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MORELAND REPORT (Doc. 1-98/84 — SOLIDARITY PLAN TO PROMOTE THE USE OF COAL): ADOPTED

The rapporteur was :

— AGAINST Amendment No 1.

Explanation of vote

Mr Purvis (ED), in writing. — The European Democratic Group will vote for the Moreland report and would wish to pay tribute to our late colleague Mr Sassano who submitted the motion which prompted this report.

This initiative offers a possible way of finding common purpose between the coal importing and coal producing Member States in achieving at long last a meaningful solid fuels policy for the European Community.

We are convinced that coal and other solid fuels can play a major part in meeting the energy requirements far into the future. By exploiting our own European resources we can also reduce the risks to our political and economic independence that would result from excessive reliance on imported energy.

But if coal is to play its proper part in Europe's energy supply, it must be a reliable and a competitively priced fuel. That is why we are disturbed and saddened by the disruption to regular coal supplies from British pits to customers in other European countries caused by the industry's interest to concentrate investment on the most viable pits.

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D'ANGELOSANTE REPORT (Doc. 1-89/84 — PROFESSIONAL SECRECY OF LAWYERS): ADOPTED

The rapporteur was :

— AGAINST Amendments Nos 1 and 2.

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ROGALLA REPORT (Doc. 1-106/84 — REGULATION AMENDING THE CONDITIONS OF EMPLOYMENT OF OTHER SERVANTS OF THE EUROPEAN COMMUNITIES): ADOPTED

The rapporteur was :

— IN FAVOUR OF Amendments Nos 1, 3 to 6 ;

— AGAINST Amendment No 2.

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VETTER REPORT (Doc. 1-90/84 — TRANSFER OF CONVICTED PRISONERS): ADOPTED

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**CHAMBEIRON REPORT (Doc. 1-112/84 — STATUS OF REFUGEES):
ADOPTED**

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**BOMBARD REPORT (Doc. 1-100/84 — HEXACHLOROCYCLOHEXANE):
ADOPTED**

The rapporteur was :

— AGAINST Amendment No 1.

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**BEYER DE RYKE REPORT (Doc. 1-83/84 — SPREAD OF LANGUAGES IN
THE EUROPEAN COMMUNITY): ADOPTED**

Mr Beumer, deputizing for the rapporteur, was :

— AGAINST all the amendments.

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BORD REPORT (Doc. 1-53/84 — SPORT IN THE COMMUNITY): ADOPTED

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**DE GUCHT REPORT (Doc. 1-120/84 — URBANIZATION IN THE THIRD
WORLD): ADOPTED**

Mr Jürgens, deputizing for the rapporteur, was :

— IN FAVOUR OF all the amendments.

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**PEDINI REPORT (Doc. 1-1481/83 — JRC): REFERRED BACK TO
COMMITTEE**

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**HUTTON REPORT (Doc. 1-1523/83 — BROADCAST COMMUNICATION):
ADOPTED**

The rapporteur was :

— IN FAVOUR OF Amendments Nos 2, 4 to 6 ;

— AGAINST Amendments Nos 1, 3 and 7.

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ISRAEL REPORT (Doc. 1-1531/83 — CHILE): ADOPTED

The rapporteur was :

— IN FAVOUR OF Amendments Nos 2, 4, 10, 13 and 19 ;

— AGAINST Amendments Nos 3, 5, 9, 11, 12, 14 to 18, 21 and 24/rev.

Explanations of vote

Mr De Pasquale (COM). — *(IT)* Our amendments sought to eliminate a number of ambiguities and non-disclosures obtained in the Political Affairs Committee's text. If they had all been adopted, the Israël resolution would have been much more explicit and better adapted to the gravity of the Chilean situation. However, we shall vote none the less in favour of the resolution given that it includes clearly and unequivocally a condemnation of Pinochet's bloodthirsty and fascist regime and an expression of European solidarity with the Chilean people in their struggle for liberty.

Mr de Courcy Ling (ED). — Firstly, I am voting for this because I dislike double standards. If the denial of free elections is a violation of human rights in Poland, it must, in my book, be no less of a violation in Chile. There is not much to choose in my book between a military dictator of the extreme left and one of the extreme right. I find the racism we sometimes see in extremely rightwing political movements, even inside the Community, as disagreeable as the collectivism of the extreme left. We ourselves cannot be complacent, and Mr Israël's report will enhance the authority of this Parliament whenever it makes statements and attacks and defends the principle of the primacy of the human person irrespective of race or religion.

Secondly, my Amendment No 23 is not intended as a policy statement either of the British Conservative Government or of the European Democratic Group. The amendment, which I explained in my speech on Wednesday, 11 April, recorded on page 193 of the verbatim record, is instead the result of objective analysis over a certain number of years of the adventurism of the Argentine armed forces, not only in the Falkland Islands but also in Chile. While governments rightly try to build bridges with the new President of Argentina, I must say that the families on both sides of those who lost their lives in the Falklands War may forgive but they will not quickly forget the adventurous machismo of the Argentine armed forces, Argentina being Chile's menacing neighbour.

Mr Wurtz (COM), in writing. — *(FR)* The French Members of the Communist and Allies Group will abstain on the Israël report. Certainly there are more than adequate grounds for the EEC's finally denouncing the violations of human rights carried out on such a massive scale since 1973 by the Pinochet regime. That much having been said, at this time when the regime is reaching the end of its tether and sees itself rejected by a vast groundswell of popular opposition combining all the social and political forces that have been oppressed and persecuted by the dictatorship, the Israël resolution would propose that our Assembly should lend political support in a selective fashion to the Democratic Alliance only. This is a typical interference in Chile's internal affairs. In addition to the Democratic Alliance, the opposition working towards Pinochet's downfall also includes the vast popular movement called the MDP, which includes Socialists, Communists, trade union organizations, certain sectors of the MAPU and the Christian Left and the coordinating committee of the Barrio dwellers. On the political level therefore the Israël report is an obstacle to the broader mobilization of forces that will be needed to bring about the downfall of the Chilean dictatorship. That is why we shall not be lending our support to this report.

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PROPOSALS FOR REGULATIONS IN THE AGRICULTURAL SECTOR :**Proposals for regulations (Doc. 1-127/84)**

- Proposal for a Regulation I No 1079/77 : ADOPTED
- Proposal for a Regulation II No 1431/82 : ADOPTED
- Proposal for a Regulation III : ADOPTED
- Proposal for a Regulation IV No 2966/83 : ADOPTED
- Proposal for a Regulation V No 2968/83 : ADOPTED

Proposals for regulations (Doc. 1-145/84)

- Proposal for a Regulation I : ADOPTED
- Proposal for a Regulation II : ADOPTED

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**BOCKLET REPORT (Doc. 1-50/84 — AGRICULTURAL STRUCTURES):
ADOPTED**

The rapporteur was :

- IN FAVOUR of Amendments Nos 1 to 9, 12, 16 and 18 ;
- AGAINST Amendments Nos 10, 11, 13 to 15, 17, 19 to 26.

Explanations of Vote

Mr Sherlock (ED). — I have a double first this morning. It is the first time I have intervened in an agricultural debate, and that is because of its environmental components. It also is the first time in five years I have ever made a personal explanation of vote.

I believe, despite the considerable lack of enthusiasm in certain sections of the House this morning, that these reports, especially with the amendments submitted by Mr Johnson, give an opportunity to use agricultural money in a wholly acceptable and commendable way. Farmers claim to be the curators of our countryside heritage. Here is a chance to reward those who care and restore their credibility among the many who have recently become disillusioned by the ravages inflicted upon the landscape and its wildlife. The electorate would welcome measures that reward the farmer in this way rather than encouraging the production of embarrassing surpluses. Environmentalists, I think you can rejoice, this is a practical way forward.

Mrs Ewing (DEP), in writing. — I support all three reports. However, I find it rather hypocritical that the British MEPs, with four exceptions only, did not vote in favour of a budgetary line for an agricultural development programme for the Highlands and Islands of Scotland.

It also must be stated that despite the European Parliament's having supported the principle of this programme for the Euro-constituency I represent and despite the support of the Commission clearly expressed in the debate on the subject, the British Government indicated that this was not a priority for them.

This is such a disgraceful situation that I must again put it on record. These reports are fine words but without action. That is all that we have — words.

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**PROVAN REPORT (Doc. 1-113/84 — AGRICULTURAL STRUCTURES):
ADOPTED**

Mrs Ewing (DEP), in writing. — (Same explanation of vote as for the Bocklet report)

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**VITALE REPORT (Doc. 1-70/84 — AGRICULTURAL DEVELOPMENT IN
THE WEST OF IRELAND): ADOPTED**

Mrs Ewing (DEP), in writing. — (Same explanation of vote as for the Bocklet report)

* * *

DALSASS REPORT (Doc. 1-64/84 — SPIRITUOUS BEVERAGES) : ADOPTED

The rapporteur was :

- IN FAVOUR of Amendments Nos 1 to 30 ;
- AGAINST Amendments Nos 31 to 33, 35 and 37.

Explanations of vote

Mr von der Vring (S). — *(DE)* I am all for a Europe of the regions, and I can visualize it coming into its own particularly in the alcohol sector. However, I have serious misgivings firstly with regard to the Annex, which gives privileges to certain regions, and secondly with regard to the entire method outlined in Article 8(2). All regions should be given the right to offer for sale special products bearing the name of the region, whether it is spirits from Bremen or from wherever else you like. The consumers can then decide whether they want to drink this particular spirit or not.

Mr Hutton (ED), in writing. — I welcome without reservation Parliament's decision to define 'Scotch Whisky' and in particular the decision to fix the minimum strength at 40 %.

Quality, and reliable quality at that, has always been the hallmark of Scottish products, whether they have been whisky, knitwear, heavy engineering or rugby football, as my French, Irish, Welsh and English colleagues will acknowledge.

Members here know very well that Scotch whisky has an unrivalled reputation around the world.

There is a saying that imitation is the sincerest form of flattery, and a visit to any ordinary liquor store here in Strasbourg will reveal a remarkable range of what call themselves whiskies, often labelled in the English language to try to persuade people that they are the real thing.

Without the definition of Scotch whisky in this report there is the danger that low strength whiskies could proliferate around Europe, damaging the reputation of the real thing and confusing consumers.

Anything which destroys the reputation of Scotch whisky will cost jobs in the whisky industry, and that is something which no Scots Member could tolerate.

Mr Verges (COM), in writing. — *(FR)* The definition of rum proposed by the Commission and accepted by the rapporteur is a very dangerous one, because it would penalize the rum produced by the Overseas Departments.

That is why I had tabled an amendment suggesting a new definition of rum, reserving the name exclusively to the spirit produced from cane sugar in the place where that cane sugar is grown and a spirit that could not be diluted. This amendment was rejected !

That is why I cannot vote either for the Commission's proposal for a regulation or for the Dalsass report.

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EYRAUD REPORT (Doc. 1-54/84 — SWINE FEVER) : ADOPTED

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MARTIN REPORT (Doc. 1-52/84 — MARKET IN WINE) : ADOPTED

The rapporteur was :

- IN FAVOUR OF Amendments Nos 1 to 9 and 14 ;
- AGAINST Amendments Nos 16 to 28.

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HORD REPORT (Doc. 1-1409/83 — VETERINARY MEDICINES): ADOPTED

Mr Simmonds, deputizing for the rapporteur, was :

- IN FAVOUR OF Amendments Nos 1, 5 to 9 ;
- AGAINST Amendments Nos 2 to 4.

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SECOND LIGIOS REPORT (Doc. 1-48/84 — TAXATION ON WINE): ADOPTED

The rapporteur was :

- AGAINST Amendment No 1.

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SECOND HOPPER REPORT (Doc. 1-49/84 — HARMONIZATION OF TAXATION OF ALCOHOLIC DRINKS): ADOPTED

The rapporteur was :

- IN FAVOUR OF Amendment Nos 1 to 3, 8 and 9 ;
- AGAINST Amendments Nos 5 to 7 and 10.

Explanation of vote

Mr Vergès (COM), in writing. — (FR) Once again Mr Hopper wants to strike a blow at the traditional rum of the Overseas Departments by depriving it of the special tax arrangements provided for in Article 227 of the Treaty.

I had tabled an amendment seeking to have this derogation maintained.

Since this amendment has been rejected, I shall vote against the Hopper report, which is a particularly serious threat to the economy of the Overseas Departments.

* * *

LENZ REPORT (Doc. 1-56/84 — CENTRAL AMERICA): HELD OVER TO THE NEXT SITTING

* * *

VAN AERSSSEN REPORT (Doc. 1-1495/83 — EEC-CARTAGENA AGREEMENT): ADOPTED

The rapporteur was :

- AGAINST Amendments Nos 1 and 2.

Explanation of vote

Mr Pedini (PPE), in writing. — (IT) I shall vote in favour of this resolution in my capacity as head of the Latin American delegation. The EEC-Andean Pact agreement is a step forward on the way to a regional collaboration which, at its own level, is effectively contributing to the new political and economic order that the world needs. Furthermore, in a spirit of solidarity it brings Europe and Latin America closer together in an awareness of common problems. I trust that, through the particular philosophy informing it, the present agreement will be followed by further regional agreements, starting with Central America, that will involve, as in the present case, the parliamentary representatives of the

peoples. Also the 'Latin American Institute' proposed by the Commission and the Parliamentary Conference in Brussels of June 1983 (the choice of whose seat in the Old World falls to the Latin American Parliament) can contribute effectively to the development of regional cooperation by fostering consciousness of the two continents' common ties with western civilization.

* * *

PRUVOT REPORT (Doc. 1-1496/83 — EEC-EFTA): ADOPTED

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PELIKAN REPORT (Doc. 1-1345/83 — EEC-CHINA): ADOPTED

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BOOT REPORT (Doc. 1-1404/83 — TRANSFRONTIER COOPERATION): ADOPTED

Explanations of vote

Mrs Boot (PPE), rapporteur. — (NL) I shall abstain in the vote on this resolution on transfrontier cooperation in the regions. This report does not meet the requirements we have called for in the name of our citizens. In the first place it is in the interest of the frontier regions that an effective legal framework be devised to permit administrative cooperation across frontiers. This applies both to the lower type of constituted authority and to the individual citizen's rights to freely practise a profession and his right of participation.

Second, if it is desirable that the EEC as such should sign the Council of Europe's framework convention on cooperation between the lower administrative bodies, then representations must be made to this end to the Council of Europe. We shall make it our business to see that this matter is brought afresh before the new Parliament.

Third, it is in the interest of the frontier regions that those regions themselves should be the main information centres. That information should be communicated not only to the regional authorities and citizens but also to the Commission.

Fourth, transfrontier cooperation groupings are the most obvious bodies for interpreting statistical data on either side of the border.

Finally, transfrontier cooperation is a regular topic of this Parliament, and we therefore propose that the matter be placed again on the agenda in Parliament's next term.

Mrs Elaine Kellett-Bowman (ED). — I shall be voting for this report. The honourable lady who has just spoken was appointed rapporteur as long ago as 1980. She has failed on numerous occasions — on 17 occasions — to do the committee the courtesy of attending, despite the pleas of the committee chairman that she should do so, which he put in writing to her. This was passed by the committee, and the honourable lady did not even do this House the courtesy of addressing it on her own report yesterday. I shall certainly be voting for it.

President. — Mrs Kellett-Bowman, I had the great pleasure of being in the Chair last night, and I have already heard all this argument.

Mrs Boot (PPE), rapporteur. — (NL) I should like to make a personal statement, Mr President. This is again a distorted representation of the facts and I protest. That is all I wish to say. I did the same earlier this morning.

President. — I take note of your protest.

Mrs Elaine Kellett-Bowman (ED). — I am absolutely positive.

All the information that has been given about Mrs Boot's failure to attend the committee is absolutely accurate, and I very much resent the fact that she is trying to say that what we have said, and what my honourable friend Mr Hutton said, is not true. Those who have attended the committee know very well that what we have said is absolutely true and that what Mrs Boot...

President. — Mrs Kellett-Bowman, I am not in a position to verify the facts. You have made a statement, but it was not a point of order.

Mr Van Aerssen (PPE). — *(DE)* At the beginning of this Parliament's term of office in 1979, many colleagues got together with me to get this whole matter off the ground. What is at stake here is the fate of our border regions, which play a vital role in Europe. Irrespective of the outcome of this debate, we shall in any case have to launch a new initiative along these lines in the next Parliament.

* * *

DE PASQUALE REPORT (Doc. 1-84/84 — REGIONAL PROBLEMS OF GREECE): ADOPTED

The rapporteur was :

- IN FAVOUR OF Amendments Nos 6 to 8/rev. (1st part) and 16 ;
- AGAINST Amendments Nos 5, 8/rev. (2nd part) and 12 to 15.

Explanations of vote

Mr Bournias (PPE), in writing. — *(GR)* Naturally, as a Greek, I shall vote for the motion for a resolution on my country's regional problems, and after offering congratulations to Mr De Pasquale, the rapporteur, for his global approach to the subject, which takes in not only Greece but the Mediterranean basin in general, I have three comments to make.

Firstly, this important motion comes as the result of the visit to my country by the committee concerned which enabled its members to examine the situation at first hand and to get on-the-spot information about the extent of the needs of each region and sector.

Secondly, the motion quite rightly refers to the need to stimulate the private sector which, as pointed out, has a contribution to make to the restoration of balance. Paragraph F rings the alarm bell with regard to both regional policy and the policies for agriculture, trade, industry and transport, and this is particularly meaningful in the case of Greece where the pursuit of Socialism has brought the private sector to a standstill.

Lastly, albeit late in the day, the EEC is beginning to apply itself to the problems and inadequacies of the Mediterranean regions with a view to paving the way for the impending accession of Spain and Portugal.

Mr Kyrkos (COM), in writing. — *(GR)* We shall vote for the De Pasquale report and resolution. In the light of accumulated experience important changes are proposed in them which will pave the way for more effective management, global intervention, coordination with the other structural funds, greater involvement of regional representatives in the drawing up of programmes and an increased flow of resources to the less developed regions.

Along with our vote we want to emphasize that for these amendments to actually be implemented and for the Fund to do its job properly resources will need to be doubled, particularly if its role is to include the provision of help for declining industrial regions and with the enlargement problems the Community faces with the accession of Spain and Portugal.

We also wish to express reservations as follows :

- (a) About the way in which the Fund is to be managed, with a 'group' of five States (Germany, France, Italy, the United Kingdom and the Netherlands) being able to approve or reject programmes.
- (b) About the tendency to vitiate geographical concentration and to reduce the quotas for the less developed regions, and about the imprecise criteria in respect of the indicative limits for the Community programmes.
- (c) About the propensity to reduce the allocation to my country when indeed 4.5 % of this should be earmarked for Community programmes.
- (d) About the limitation set on the financing of infrastructural projects and the relatively low level of ERDF participation in overall outlay (40 % for schemes costing less than 10 million ECU and 20-40 % for those costing more than 10 million ECU).

* * *

DE PASQUALE REPORT (Doc. 1-86/84 — ERDF): ADOPTED

The rapporteur was :

- IN FAVOUR OF Amendments Nos 1 to 40, 51, 52 and 66 ;
- AGAINST Amendments Nos 44, 47, 48, 50, 53, 55 to 65 and 67.

Explanations of vote

Mr Enright (S). — I shall be voting for this report because of the hypocrisy of the Tories who at home are busy cutting money for hospitals and then have the temerity to ask Europe to pick up the tab for it in their amendments. Secondly, Barbara Castle asked me specially to support this because it is so badly needed for Manchester.

(Interruption)

I notice Will Hopper is not here.

(Laughter and applause)

Mrs Boot (PPE). — *(NL)* This is not a written explanation because I am rather disappointed that we have adopted Amendment No 12 which amends the Commission's proposals for the allocation of the national quota. I shall therefore abstain from the vote in order to make that point. And, second, because very many of the Committee on Budget's amendments have been rejected. This abstention is a personal matter.

Mrs Fuillet (S), in writing. — *(FR)* The reform of the ERDF is one of the most important documents which the Committee on Regional Policy and Regional Planning has had to draw up. This reform failed initially between 1982 and the present because of lack of agreement on this question in the Council.

At the present time there is a more urgent need to adapt the functioning of the ERDF to the needs of the regions, since we are adjusting our requests for finance to structures which are totally out of date.

The report proposes several principles for the reform of the ERDF. With regard to transparency of the actions undertaken by the Fund and greater selectivity, you will recognize now, as in 1982, the need for these principles which all the members of the committee supported. The same applies to the emphasis put on the need to coordinate all Community and national measures.

The new reform is innovative where quotas are concerned. These have been replaced by a system of bracket rates whose ceiling provides a short-term guarantee. We disagree with the rapporteur on redistribution where the size of these brackets is concerned. The rapporteur pays too little attention to the disastrous economic situation in our crisis regions and the problems arising from the need for reconversion.

Moreover, in this context, the French Socialists do not feel that the decision on the programmes should lie with the Commission alone. These programmes, which enjoy our full support, should be drawn up after the fullest possible consultation between the Community and national institutions and the final decision should be taken by those who coordinate the national policies; in short, the Council.

The vote on the amendments has done nothing to confirm our position. None the less, the French Socialists and, I hope, the majority of the House will vote in favour of Mr De Pasquale's report, the general lines of which provide an answer to our regional policy problems in the absence of guiding principles which we could support.

* * *

GRIFFITHS REPORT (Doc. 1-91/84 — CONFERENCE OF THE REGIONS): ADOPTED

The rapporteur was :

- IN FAVOUR OF Amendments Nos 1, 15, 17 (the 2 first lines), 22, 24 (1st sentence) and 26 ;
- AGAINST Amendments Nos 3, 4, 7 to 13, 17 (after the 2 first lines), 18, 19, 23, 24 (2nd sentence) and 25.

Explanations of vote

Mr Bernard (S). — (FR) These are the three reasons why I shall support this report.

First of all, the rapporteur has managed to link up in a most exemplary fashion the aspirations of the regions with a more responsible approach to the drawing up and implementation of present and future Community policies. These aspirations were, as you know, very clearly set out in the final declaration of the first Conference of the Regions held here last January at the prompting of our Assembly.

My second reason for supporting this report is the fact that it stresses so clearly the urgent need to strengthen the specific representation of the regions as such in the Consultative Committee of the Local and Regional Authorities of the Member Countries of the European Community.

My third reason for supporting the report stems from information recently received to the effect that a fully-fledged Council of the Regions of Europe is in the process of being set up.

This latter is an initiative which follows on logically from the work of the first Conference of the Regions held here in January and which is heralded by the phrase in paragraph 11 of the motion for a resolution which, in effect, invites the regions of Europe to organize themselves in an appropriate way at Community level.

I hope, as do many of my colleagues here, that this motion for a resolution will be adopted, because we know that the results that can flow from it are already being eagerly awaited outside this House.

Mr O'Donnell (PPE), in writing. — The Griffiths report focuses attention on the role of local and regional authorities in the formulation and implementation of regional development plans and programmes.

I am, and always have been, a strong advocate of the devolution by central governments of maximum developmental autonomy to regional and local authorities. It is my conviction that the people of the regions through their elected local public representatives must be given a much greater role in regional development. I believe also that local and regional authorities should have direct access to the Commission and should be consulted on all aspects of development which affect their respective regions.

Unfortunately in Ireland this is not the case, and the time has now come for the Irish Government to give statutory authority to the regional development organizations or alternatively to establish in those regions with special problems SFADCO type agencies.

There is an immediate need for the establishment of a development authority for the Cork region similar to the type of authority which functions in the Mid-West region, that is the Shannon Free Airport Development Company. The Cork region has suffered severely as a result of the recession and is in need of a special development agency which will have the power to formulate and implement appropriate development strategies for the Cork region.

I also strongly advocate that the Commission and the Irish Government should cooperate in giving approval for the implementation of the development programme prepared by the South-West Kerry Development Association.

I fully support the Griffiths report and recommend that maximum developmental autonomy be accorded to the regions of Europe.

* * *

SCRIVENER REPORT (Doc. 1-79/84 — BUDGETARY POLICY FOR 1985): ADOPTED

The rapporteur was :

— AGAINST all the amendments.

Explanation of vote

Mr Wurtz (COM), in writing. — (FR) The French Members of the Communist and Allies Group will not take part in the vote on Mrs Scrivener's report on the guidelines for the budgetary policy of the Communities for 1985.

We feel that this report should never have been drawn up and therefore should never have been put before this House for debate.

The European elections will take place right at the time when the budgetary procedure is getting underway. It is the new Assembly elected on 17 June that will have to debate the preliminary draft budget drawn up by the Commission before the consultation between the Council and our Assembly from which will emerge the draft budget to be considered next autumn.

In wishing to establish here and now guidelines for the 1985 budget, this Parliament is to all intents and purposes arrogating to itself a right that it does not really possess. Why should we dictate to the new Assembly what options it should take ?

We should have had the modesty and the discretion not to push ourselves forward so much. Democracy, after all, consists in taking the wishes of the electorate into account and not anticipating them.

Some have tried to justify Mrs Scrivener's report by speaking of the need for continuity.

We are all for continuity, and the work of the Committee on Budgets is aimed at preserving that continuity. Thus, next week the Committee on Budgets will have a further opportunity to give its opinion on a number of documents.

As for the Commission, it is perfectly capable of drawing up a preliminary draft budget by itself, which the next Assembly will have all the time in the world to amend.

In wanting to do too much, this House does itself no honour. At least that is the way we look at it.

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D'ANGELOSANTE REPORT (Doc. 1-88/84 — AGREEMENT BETWEEN THE SWISS CONFEDERATION AND THE EEC): ADOPTED

Mrs Boot, deputizing for the rapporteur, was :

— AGAINST Amendment No 1.

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D'ANGELOSANTE REPORT (Doc. 1-87/84 — CUSTOMS DEBT): ADOPTED

* * *

FOCKE REPORT (Doc. 1-116/84 — FOOD AID): ADOPTED

Mr Enright, deputizing for the rapporteur, was :

— IN FAVOUR OF Amendment No 4.

* * *

LEZZI REPORT (Doc. 1-119/84 — FOOD AID): ADOPTED

Explanation of vote

Mr Eisma (NI), in writing. — (NL) It is inexcusable that my motion for a resolution, which was submitted for urgent debate in January, should only now be placed on the agenda. In January the Commission was criticized for supplying inappropriate food aid; at least that is what emerged from the annual report of the Court of Auditors. This serious state of affairs needs to be dealt with urgently and is perhaps responsible for deaths every day.

In 1982 a third of all cereal food aid was not delivered. This was also the case with milk powder, and in the case of butter oil as much as 40% of the projected food aid was not supplied. After a natural disaster Mauritius had to wait 15 months for the promised cereal aid, Pakistan 0% of the promised milk powder and India and Pakistan respectively 24 and 0% of the promised butter oil.

There is absolutely no certainty that the situation was any better in 1983, but unfortunately we still do not have the relevant data from the Court of Auditors. I therefore ask the Commission and the Court of Auditors to furnish Parliament as quickly as possible with food-aid data for 1983 because this part of the audit report is important for the lives of hundreds of thousands of people in the Third World.

The present Commission proposal makes perhaps some improvement in food aid policy and the administration of food aid. The time taken between approval of the food aid programme and delivery to the port of destination will no longer run to 458 days in the case of cereals, 500 days in the case of milk powder and 425 days in the case of butter oil! In the case of Morocco, for instance, 500 tonnes of vitamin-added milk powder and 200 tonnes of butter oil were held up for seven months in the Port of Casablanca because the receiving country was slow in providing transport to the areas in need. In situations of this kind the Commission must actively intervene and not wait until the costly benefit of adding vitamins (50 000 ECU) is lost, or tins and sacks are damaged. The Commission's local representative must be kept informed of deliveries by the authority receiving the food aid so that he may ensure that the needy areas do actually receive those supplies.

As a Parliament we must be better able to keep in touch with this vital aspect of EEC policy, and we demand that the Commission so organize its management as to ensure that effective control is exercised in a flexible manner over the impact of food aid.

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RIPA DI MEANA REPORT (Doc. 1-1551/83 — AIR TRANSPORT): ADOPTED

The rapporteur was:

— IN FAVOUR OF Amendments Nos 1 and 2.

* * *

PROTOPAPADAKIS REPORT (Doc. 1-92/84 — HYDROCARBONS): ADOPTED

Explanation of vote

Mr Protopapadakis (PPE), rapporteur, in writing. — (GR) The proposal for a Community energy tax on the consumption or import of hydrocarbons visualizes the establishment of a fund with the accrued revenue for the purpose of financing research and investment in the energy sector and for intervening to maintain price stability in the event of an energy crisis.

However, those who propose the tax have not given us any arithmetical data or outlined any specific programmes which, in their view, call for financing. They have made no attempt to examine the effects of this tax on the national economies of the member countries and on the pocket of the consumer.

Those who oppose this tax claim that the effects would be damaging, given that the benefits which could stem from such an energy policy would be slow to emerge and would have no favourable impact on the economy in the short term. At a time of crisis like this, one would expect to see more immediately beneficial policies promoted.

It has also been said that such a tax, particularly if levied on the import of hydrocarbons, would widen the differences between the economies of the Member States, that it would operate against the Community's accepted policy of economic convergence.

It is therefore incumbent on those who maintain the necessity for a Community energy tax to make an analysis of all these aspects. Only then will Parliament be able to decide.

Finally, it must be made clear whether this revenue would constitute a Community own resource or be a special levy.

With these considerations in mind I ask Parliament to approve my motion.

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