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Contents

Tuesday, 8 March 1983	1
Opening of session, p. 2 — Agricultural prices (contd), p. 2 — Turkey, p. 37 — Uni- form electoral procedure, p. 47 — Yugoslavia, p. 56 — Topical and urgent debate. Announcement, p. 63 — Question Time, p. 63	
Wednesday, 9 March 1983	76
Application of Rule 8, p. 78 — Budgetary policy for 1984, p. 81 — Agenda, p. 92 — Budgetary policy for 1984 (contd), p. 92 — Ethyl alcohol, p. 94 — Agriculture in Highlands and Islands, p. 107 — President's statement on interpretation of Rule 85, p. 107 — Topical and urgent debate: Objections, p. 108 — Question Time (contd), p. 109 — Agriculture in Highlands and Islands (contd), p. 122 — Indicator sub- stance in milk, p. 129 — Votes, p. 131 — Annexes, p. 133	
Thursday, 10 March 1983	169
Motion for resolution (Rule 49), p. 170 — Ethyl alcohol (contd), p. 171 — Votes, p. 172 — Topical and urgent debate, p. 176 — Liquid containers, p. 195 — Labelling of foodstuffs, p. 203 — Irish bogs, p. 207 — Indicator substance in milk (contd), p. 211 — Petrodollars, p. 212 — Energy policy, p. 213 — Technology transfer, p. 220 — Natural gas, p. 224 — Rum, p. 226 — Trans-frontier transport policy, p. 231 — Ports, p. 233 — Annex, p. 238	
Friday, 11 March 1983 ..	246
Minutes, p. 246 — Votes, p. 248 — Fisheries, p. 251 — Ports (contd), p. 254 — Transport organization, p. 258 — Vietnam, p. 261 — Adjournment, p. 262 — Annex, p. 263	

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.

SITTING OF TUESDAY, 8 MARCH 1983

Contents

- | | |
|---|--|
| <p>1. Opening of the annual session 2</p> <p>2. Agricultural prices (Doc. 1-1325/82) (continuation):
 <i>Mr Collins; Mr G. Fuchs; Mr Ertl (Council); Mr Tugendhat (Commission); Mr Wettig; Mr Clinton; Mr Hord; Mr Vitale; Mr B. Nielsen; Mr Lalor; Mr Blaney; Mrs Castle; Mr Bocklet; Mr Purvis; Mr Møller; Mr Adamou; Mr Maher; Mr Flanagan; Mr Thareau; Sir Fred Warner; Mr Maffre-Baugé; Mrs Martin; Mr Ansquer; Mr Vgenopoulos; Mr Diana; Mr Battersby; Mr Goerens; Mr Verimmen; Mr Konrad Schön; Mr Damseaux; Mr Kaloyannis; Mrs Gredal; Mr Barbagli; Mr Gautier; Mr Papaefstratiou; Mr McCartin; Mr Eyraud; Mr Ertl; Mr Dalsager (Commission); Mr Mouchel</i> 2</p> <p>3. Turkey — Oral questions with debate, (Doc. 1-1274/82) by Mr Israël and others, to the Foreign Ministers; (Doc. 1-1275/82) by Mrs De March and others, to the Commission and (Doc. 1-1280/82) by Mr Glinne and others, to the Foreign Ministers:
 <i>Mr Israël; Mr Frischmann; Mr Glinne; Mr Genscher (Foreign Ministers); Mr Haferkamp (Commission); Mr Hänsch; Mr von Hassel; Mr Genscher; Mr Spicer; Mr Nikolaou; Mr Genscher; Mr Ephremidis; Mr Beyer de Ryke; Mr Vandemeulebroucke; Mr Romualdi; Mr Plaskovitis; Mr Bournias; Mr Pannella; Mr Romualdi; Mr Pannella; Mr Pesmazoglou; Mr Kyrkos; Mrs Ewing; Mr Fich; Mr Van Minnen; Mr Genscher; Mr Haferkamp</i> 37</p> <p>4. Uniform electoral procedure — Oral question (Doc. 1-1137/82) by Mr Seitlinger and others, to the Council:
 <i>Mr Seitlinger; Mr Genscher (Council); Mr Schieler; Mr Rumor; Lord Douro; Mr D'Angelosante; Mr Haagerup; Mrs Ewing; Mr Vandemeulebroucke; Mr Romualdi; Mr Bocklet; Mr Galland; Mr Ryan; Mr Harris; Mr Damseaux; Mr Genscher; Mr Seitlinger; Mr Rumor; Mr Genscher; Lord Harmar-Nicholls; Mr Genscher</i> 47</p> | <p>5. Yugoslavia — Report (Doc. 1-1193/82) by Mr Bettiza:
 <i>Mr Bettiza; Mr Seefeld; Mrs Gaiotti De Biase; Mr Israël; Mr Pannella; Mr Almirante; Mr Pesmazoglou; Mr Eisma; Mr Genscher (Council); Mr Haferkamp (Commission)</i> 56</p> <p>6. Topical and urgent debate (announcement):
 <i>Mr von der Vring; Mr Alavanos; Mr Enright</i> 63</p> <p>7. Question Time (Doc. 1-1346/82):
 <i>Mr Sherlock</i> 63</p> <p>Questions to the Council:</p> <ul style="list-style-type: none"> • Question No 1, by Mr Deniau: Relations between the EEC and Vietnam: <i>Mr Genscher (Council); Mr Deniau; Mr Genscher; Mr Lomas; Mr Genscher; Mr Habsburg; Mr Genscher; Mr C. Jackson; Mr Genscher; Mr Wurtz; Mr Genscher</i> 64 • Question No 2, by Mrs Boot: Duty-free import of fuel in normal fuel tanks for all commercial vehicles (including buses) licensed in Community countries:
 <i>Mrs Buchan; Mr Genscher; Mrs Boot; Mr Genscher; Mr von der Vring; Mr Genscher; Mr Sherlock; Mr Genscher; Mrs Maij-Weggen; Mr Genscher; Mr Seeler; Mr Genscher; Mrs Kellett-Bowman; Mr Rogalla; Mr Genscher; Mrs Kellett-Bowman</i> 66 • Question No 3, by Mr Lomas: Collusion — Conservative party and the EEC Commission:
 <i>Mr Genscher; Mr Lomas; Mr Genscher; Mr Welsh; Mr Genscher; Mr Israël; Mr Genscher; Mr Enright; Mr Genscher; Mr Hutton; Mr Genscher; Mr Prag; Mr Megahy; Mr Genscher; Mr Alavanos; Lord Harmar-Nicholls; Mr Genscher</i> 68 • Question No 5, by Mr Israël: United Kingdom membership of the European Monetary System:
 <i>Mr Galland; Mr Genscher; Mr Israël; Mr Genscher; Mr Welsh; Mr Genscher;</i> |
|---|--|

Mr von der Vring; Mr Genscher; Sir Brandon Rhys Williams; Mr Genscher; Mr Herman; Mr Genscher; Mr Patterson; Mr Genscher; Mr Sieglerschmidt; Mr Genscher	70
Questions to the Foreign Ministers:	
• Question No 27, by Mr Flanagan: <i>The European Community and the suppression of Solidarity:</i> Mr Enright; Mr Genscher (Foreign Ministers); Mr Flanagan; Mr Genscher; Mr Fich; Mr Genscher	72
• Question No 28, by Mr Moreland: <i>Grenada:</i> Mr Genscher; Mr Moreland; Mr Genscher; Mr Fich; Mr Genscher; Mr Seligman; Mr Genscher; Mr Alavanos; Mr Genscher; Mr Brok; Mr Genscher; Mr Van Minnen; Mr Genscher	72
• Question No 29, by Mr Balfe: <i>Plastic bullets:</i> Mr Genscher; Mr Balfe; Mr Genscher; Mr Blumenfeld; Mr Galland; Mr Moreland; Mr Genscher; Mr Enright; Mr Genscher; Mrs Ewing; Mr Van Minnen	74

IN THE CHAIR: MR VANDEWIELE

Vice-President

The sitting was opened at 9 a.m.

1. Opening of annual session

President. — Pursuant to Rule 9(2) of the Rules of Procedure I declare opened the 1983/1984 session of the European Parliament.¹

2. Agricultural prices (continuation)

President. — The next item is the continuation of the debate on the report by Mr Mouchel (Doc. 1-1325/82) on the fixing of prices for certain agricultural products and certain related measures (1983-1984).

Mr Collins (S), draftsman of an opinion for the Committee on the Environment, Public Health and Consumer Protection. — Mr President, this is one of the times of year, perhaps the only time of year, when every economic argument normally employed in this House to extol the virtues of free trade and fair competition in Europe and between Europe and the rest of the world, is stood on its head. We are often told by the Commission and others that competition and free trade are good for the consumer because prices are kept down and because productive efficiency is the

result of the philosophy of economic freedom. But when it comes to agriculture, none of these arguments is used. Free trade is replaced by protection, competition is replaced by guarantees and low prices are replaced by unreasonable food costs.

The Committee on the Environment, Public Health and Consumer Protection cannot support this lunatic state of affairs, and indeed it would remind Parliament that Article 39 of the Treaty specifically states that one of the principal aims of the CAP is to ensure that supplies reach consumers at reasonable prices. We do not believe this happens now and we do not believe that in the present circumstances increases in average prices would allow this to happen in the future.

Consider the facts. The Community has serious surplus production in, for example, milk products, sugar, wheat, wine and beef. World prices are significantly lower than EEC prices, and indeed in the case of sugar, I understand that the world price is only something like 30% of the European price this year. At the same time we are told that farm incomes have risen in the last year and although there is some disagreement about how much they have risen, we are told by some people that this is close to 10%.

In addition, Europe is in the grip of recession and there are millions of workers unemployed having to live on the meagre income provided by the State benefit systems. So we have got surplus production at high cost while consumption is either stagnant or falling because unemployed workers cannot afford the products which in turn have to be subsidized yet again to unload them on to the world market.

Mr President, even if Lewis Carol and George Orwell had got together to write a joint novel, the plot could not have been more strange than the one that we have in this Parliament at this time. That is why the com-

¹ Approval of Minutes — Topical and urgent debate (announcement) see Minutes.

Collins

mittee on the Environment, Public Health and Consumer Protection has put down several amendments.

In the first place we find that the information on which the proposals of both the Commission and the Committee on Agriculture are founded is inadequate and quite out of date. For example, although we support the Commission's attempts to improve information about the effect of farm prices on the cost of food country by country, we do believe that this has to be extended so that the effect can be followed through product by product. Information is power, and we want that power to rest with the ordinary citizen and not just with the vested interests of producers, whether they be farmers or food processors.

Secondly, the information about the rise in farm incomes last year is a little patchy. Some people say 4% or 5%, some people say as much as 10% and one estimate for one country in the Community goes as high as 45%. So we believe that the method of measuring income needs to be reviewed so that it can be used with much more confidence than we have at the moment.

Basically, however, the Committee on the Environment, Public Health and Consumer Protection takes the view that it is important to maintain a decent level of living in rural farming areas. We do not want to create rural unemployment, we do not want to destroy the rural economy and we do not want to destroy the rural landscape. At the same time we want to ensure that the cost of food to the consumer is kept low enough to allow people a reasonable, healthy diet.

The point is that we reject firmly the idea that the present system of price guarantees for farmers can achieve both of these aims. In practice it leads to over-production, and under-consumption, it diminishes the quality of the environment, it offers a poor deal for consumers and inadequate living standards for small farmers, especially in less-favoured areas. The present system, in other words, leads to the poor subsidizing the poverty of others.

We should, therefore, like to see the Commission look seriously at the work being done by a number of university departments in the Community on direct income aids so that small farmers' incomes can be maintained at a reasonable level. Of course, we cannot see any reason why there should be an average increase in farm prices this year. Try as we might, we cannot accept the evidence for this.

The European Community needs to be projected forcibly along the road towards a radical overhaul of its agricultural policy, and we believe that the impetus for this could be given by a firm commitment now to a price freeze on those products where there is a structural surplus. Anything else, anything less, is simply another sad postponement of the day when Europe

becomes the Europe of its people and not the Europe of its powerful lobby groups.

Mr G. Fuchs (S), *draftsman of an opinion for the Committee on Development and Cooperation*. — (FR) Mr President, ladies and gentlemen, I am speaking on behalf of the Committee on Development and Cooperation in order to make certain observations which we feel are important concerning the effects of the Common Agricultural Policy on the developing countries in general and the associated countries in particular.

Certain new factors have arisen since last year's debate on the fixing of agricultural prices. The principal one is, or should have been, the publication by the Commission at our request of a study on the effects of the CAP on the developing countries. According to the conclusions reached in this study, these effects are relatively limited. The argument is based on two facts: the existence of a large agricultural trade deficit in the Community in respect to the developing countries, which in 1979 amounted to around 17 thousand million dollars and the fact that only 7% of our agricultural imports originating in the developing countries are subject to duties.

Although these figures are indisputable, I would like to show you, by means of some examples, why the conclusions of the study nevertheless appear to us to be invalid. My first example concerns cereals. How can we fail to see that there is a contradiction between the Community export policy in this area and the simultaneous affirmation of our support for food strategies aimed at developing local and regional self-sufficiency in the developing countries? I believe it is now acknowledged by nearly everyone that an increase in cereal imports tends to discourage and disorganize local food production in most of the developing countries. The only argument on the other side accepted by our committee is that for obvious political reasons it does not appear to be desirable for the Community to give up all exports in this area and leave the United States a near-monopoly of the market in cereals. Although everyone condemns it, we know that food can actually be used as a weapon. The position of the Committee on Development and Cooperation is therefore that the Community should maintain its current market share in cereals, around 10%, while joining with the recipient countries in trying to limit the negative effects of certain of our export policies.

The second example, much more significant, is that of sugar. I will not hesitate to say here that the Community policy is little short of absurd. On the one hand we provide the ACP countries with a guarantee for a purchase of 1 300 000 tonnes of white sugar at our own domestic price. On the basis of current world prices, this represents a transfer of more than 400 million ECUs per year in their favour. But on the other hand, by throwing on the world market more than

Fuchs

5 million tonnes of our own surplus sugar, i.e. 20% of the world market, we provoke an appreciable fall in market prices, which declined over the last few years from 43 to 5.5 cents a pound, which deprives our partners of even more revenue. This is such an intolerable situation that this year the Commission itself proposes that the increase in the guaranteed price for sugar should be 1.5% less than that of the other Community prices, in order to discourage a production which now amounts to nearly 150% of our needs. I say, however, on behalf of the Committee on Development, that even this proposal is insufficient, and that a complementary measure on the level of the A and B quotas has become indispensable. Even from the most egotistical Community viewpoint, moreover, the present level of these quotas is distorted. How could we let the A quota equal the volume of our internal consumption, and, I ask the Commission, next year how much will the guarantee for a B quota cost when it has become entirely in surplus, and at a price nearly double the world level?

The last example — and I could abridge here, but this the most intolerable of all — is that of dairy products. Here our position as an exporter gives us, as far as the number of these products is concerned, a position of near-monopoly with 50 to 75% share of the market. Our exports, apart from the negative effects already mentioned in regard to cereals, are also used to feed infants under economic or hygienic conditions which unquestionably cause a considerable increase in the infant mortality rate in comparison with that for breast feeding. What is the reason for this scandal? The reason is that our production is continuously growing because of the increased use of animal feedstuffs composed of substitute products imported at low prices, and although we had the 'courage' — and I put this word between inverted commas — to limit our imports of these products from the developing countries, we did not have the same resolve, to say the least, in limiting similar imports from the United States. How can we fail to condemn this attitude?

Mr President, ladies and gentlemen, I have no time to develop my case any further. I hope that on Thursday your votes on the amendments I have tabled will reflect my own conviction that it is no longer possible to discuss our internal agricultural prices without taking into consideration their effects on the developing countries. If we will not provide the Third World with the help it needs or the fair treatment it demands, at least let us take care not to crush it with uncontrolled surpluses.

President. — Ladies and gentlemen, I welcome most warmly the President-in-Office of the Council, Mr Ertl. After the Council has spoken the Commission will address the House.

Mr Ertl, President-in-Office of the Council. — (DE) Mr President, ladies and gentlemen.

I am pleased to have another opportunity of meeting you before the major discussions on the agricultural measures and support measures for the year 1983/84, on which the European Parliament has to take its decisions. This is in fact a continuation of the exchange of views I had with your Committee on Agriculture in Brussels on 18 January in a friendly and invigorating atmosphere. I have read the reports of the Committee on Budgets and the Committee on Agriculture very carefully, and I should like to congratulate the rapporteurs, Mr Mouchel and Mr Gouthier, and also Mr Fuchs on the good work they have done. It is interesting not only to hear but also to read the reports.

Allow me to make a brief comment on Mr Fuchs' report. It concerns the development of world agriculture in the context of development aid and hunger in the world. The key factor in agriculture will always be man, with the soil and climate also playing key roles. Anyone who believes that the same conditions for growing cereals exist in sub-tropical Central Africa or sub-tropical East Asia as in a moderate climate should, I think, go and see for himself. We must make a greater distinction in our thinking and our actions, and in my opinion, this will automatically result in a desirable world-wide division of labour in which both agricultural trade and the exchange of goods have their place. To be honest, I am beginning to find the call for increased agricultural production in individual countries too simplistic. The principle may be correct. But where the soil, the climate and man do not allow an increase, you will have to come up with other concepts, unless you want poverty to continue indefinitely.

(Applause)

However, this is only of marginal relevance here. I assume the House is familiar with the figures. If comparable communities — and I mean all communities, in East and West, North and South, so that there are no ideological disputes — all opened their doors to agricultural imports, the developing countries could sell everything they have.

As regards the farm price review, opinions differ, as I see it, between the Committee on Agriculture and the Committee on Budgets, and that will probably always be the case: it is one of the political facts of life.

On one point, as I understand it, all the committees are agreed: we must complete this process by 1 April. Commissioner Dalsager and my colleagues in the Council of Agricultural Ministers will do our best in this respect. I appeal to the House to submit its decisions to us now, and I shall appeal just as passionately to my colleagues to stick to our plan and try to agree on a final package at two separate three-day meetings within a week at the end of March. I consider it essential to go about these things calmly.

There is another point in your report that I can fully endorse, but I must also say that this comes under the

Ertl

heading of 'Europe's great unfulfilled dreams'. I am referring to a full economic and monetary union.

Even if he takes Europe seriously, anyone who thinks this can be achieved in the foreseeable future is deceiving himself. It is not really a matter for the Agricultural Council, although the framework of the economic and monetary union is indispensable for the agricultural policy. I cannot emphasize often enough that an agricultural policy can only be efficient within the desired system if exchange rates are fixed. But there will be no fixed exchange rates unless inflation is controlled more effectively. With inflation in two figures there will be no economic and monetary union: the divergences will remain. In Strasbourg of all places I do not want to tempt providence, but there is something afoot in Europe. Let us see what the next elections bring. But . . . better I should have said nothing. To repeat: get inflation down from two figures and then you can start working on more stable exchange rates. And they are urgently needed.

I say this not as President of the Council but as the Minister of Agriculture of a country whose currency has always been revalued in the past and which is the object of so much envy. We have now sent a set of statistics to the members of the committee. But I do not want to start quoting statistics, because we want to have a political discussion. That is why we come here.

There is no political justification for a two-figure price increase in some cases and no increase at all in others. That is the weak point of the Commission's present proposal. Or do you think a Minister can go back to his own country and say: 'Everybody else is getting more, but we are getting less. That's Europe for you.'?

(Applause)

You have to sell this politically, my friends. The Commissioner is looking very angry, but that is the way it is. I cannot help you there.

(Laughter)

I completely agree with you: the reports of this House reflect the Council's opinion, and it could not be any other way. While the monetary situation and basic national positions differ so widely, interests will automatically differ, and the important thing in the end is that everyone should be able to save face in the compromise. These compromises will continue only as long as this is possible. This is true of all sectors, and particularly of the monetary sector, which is obviously a favourite subject in Europe. All I can say is that I wish everyone positive monetary compensation. If the whole of Europe establishes an economic policy under which there is only positive monetary compensation, there will be no further compensation.

I also want to take up the study by the Committee on Budgets, but I will first comment on the opinion of the

Committee on the Environment, Public Health and Consumer Protection in this connection.

I believe I can claim to be familiar with world agricultural policy, or at least with its basic principles. There is not a country in the world — not even New Zealand, although it is certainly a country where milk and honey flow — that does not have its own support system. And there are many reasons for this, but time is too short to go into this in greater depth.

There are three issues here, in my opinion. They are connected with what the Committee on Budgets says. On the whole, it must be possible to finance a system of this kind. It must not cost the taxpayer more than a basic attitude of solidarity on the whole justifies, and we need this basic attitude of solidarity in view of the varying interests in Europe. I endorse this view.

Secondly, it must be ensured that farmers are economically no worse off than other, comparable groups in our society. Farmers have a right to equal treatment. The distinction that is made between small, large and medium-sized farms is more an economic than a political question of principle.

Thirdly, the consumer must be provided with sufficient produce of good quality at reasonable prices. If every country in the world had the same opportunity as the European Community of supplying itself with foodstuffs at low prices, we would have far fewer worries and Mr Tugendhat would have to spend far less money.

Unfortunately, there are still many countries that make sure, not least with the extensive protectionist measures they take, that a wide range of foodstuffs does not even reach the consumer. I am very proud to live in a Community and to have a position of responsibility in a country in which anyone can buy any kind of foodstuff produced anywhere in the world. There is no foodstuff that you cannot buy in Germany. If we achieve the goal of worldwide agricultural cooperation, we shall have fewer worries. But a great deal more cooperation is needed and many people still need to be convinced.

And now to the more basic question of 5.5% or 7%? I will give you my opinion on this. The two Commissioners will agree with me here. It may not look as if they do, but inwardly they do. There has never yet been a Commission proposal that was adopted in the form in which the Commission submitted it. It would be completely unnatural if that were so. It would mean that Parliament and the Council were superfluous. All we would need would be the Commission's command centre, and I should not like to leave it to the Commission alone to decide how policy is made in Europe.

(Applause)

We must make sure that we have a tolerable situation, in which, as I have said, the necessary funds can be

Ertl

provided. I know there has been a long debate on co-responsibility.

I support the co-responsibility measures. I think they are better than quotas and that kind of thing. I do not intend to go into this at length. I will merely emphasize that we have an opportunity here of making a few distinctions. As my colleagues in the Council know, I would be in favour of a levy which depended on output, but those who hold this view have been in the minority so far, and the different interests involved will probably prevent this problem from ever being completely solved. The same could be said of substitutes or the important subject of cereals prices for third countries.

To my great surprise, I have found that, if all the United States' support measures and the prices other countries charge for cereals are considered, the difference is not all that great. Unfortunately, I do not have the figures in my head at the moment. I took them with me to the last OECD meeting, but I did not quote them there because the Americans did not raise the question. If you like, I will send you these figures. The statement my staff have drawn up is quite revealing.

I am in favour of an open, cooperative world policy, particularly among countries governed by the rules of freedom and democracy, but this must apply to all products.

I cannot see myself calling for freedom for raw materials and protectionism for products. That is unacceptable. By this I mean that meat products and cheese can also be made from substitutes. I have told the Americans that I am prepared to talk about support systems, refunds and so on, but only if we also talk about export refunds, export credit and storage loans as well. We must have all the figures out in the open, all elements of support, and then we can pick them off one by one, as in a game of chess.

We shall be discussing the accession question this afternoon and tomorrow. We have a political mandate. I should like to repeat what I said in the Committee on Agriculture: the financial consequences of accession must not be to the detriment of the agricultural policy. We must make that absolutely clear from the outset. We simply cannot push all the unpleasant things off on to the Council of Agricultural Ministers.

(Applause)

Those who are in favour of the accession of Spain and Portugal — and I am one of them — must realize that it will cost an enormous amount of money. We cannot simply call for redistribution to benefit the Mediterranean areas and leave it to the Agricultural Council to decide where the money is to come from. We have already overdone things once, with the accession of three Member States to the Community of the Six.

Much as I am in favour of enlargement for political reasons, I simply cannot have it said that the agricultural policy is the key: hand it over to the Agricultural Ministers, and let them solve all the problems. Agricultural Ministers are not magicians, either in Europe or elsewhere. We have enough difficulty coping with the agricultural market.

As I have already said, making up at this stage what is being called the Mediterranean package will be extremely difficult. I would even go so far as to say that I am almost sure that all we can do today is put forward alternatives and then wait and see what the Heads of Government dare to decide. I hope they will take a very courageous decision: it is urgently needed. I shall follow your debate with great interest. I hope your decisions will be good ones, so that I can convince my colleagues in the Council. The work must be completed by the end of April.

(Applause)

Mr Tugendhat, Vice-President of the Commission. — Mr President, it is an honour to speak after Mr Ertl. As I think the whole House will agree, Ministers from the Council come in many shapes and many sizes.

(Laughter)

Some of them are distinguished and some of them less distinguished, some of them are senior, some of them are more recently established. But in the field of agriculture there is no minister who is more senior or more distinguished than Mr Ertl.

(Applause)

As the response to what I have said shows, Mr President, I am speaking for the whole House on this occasion when I welcome him to our debates.

The Commissioner for Agriculture, my colleague Mr Dalsager, spoke yesterday about the Commission's approach to agricultural questions. I am making a briefer speech this morning about the budgetary aspects of the problem.

Parliament has always, I know, seen the link between the budget and agriculture and Parliament itself has always understood the need to ensure that the two approaches should be reconciled. One only has to think in fact of the first notable act of this directly elected Parliament in 1980 when, faced with a draft budget established by the Council, it rejected that draft, accusing the Council of not accepting measures to control agricultural expenditure. Parliament went on to point out that repeated increases in agricultural expenditure would in the long run endanger the very basis of their policy. Parliament then decided on the total rejection of that budget.

Tugendhat

On April 9 1981, in its resolution on the Community's own resources, this House reaffirmed its conviction that it was urgently necessary to bring agricultural expenditure under control, recognizing that such control was a condition for the alteration of the existing ceiling on own resources. Last year, in connection with its guidelines for the 1983 budget, Parliament again called for control of agricultural expenditure. Indeed only last December Parliament, when adopting the 1983 budget, expressed particular concern over the need to introduce legislative changes to control the expected rise in EAGGF guarantee expenditure. Parliament went on to castigate the Council for failing to come to terms with the issue and repeated its view that the principal way of permanently controlling guarantee expenditure lay in the termination of an open-ended and unlimited price guarantee.

Now, as my colleague Mr Dalsager made clear yesterday, Mr President, the Commission has listened carefully to what Parliament has said and has brought forward proposals which, in our view, reflect many of the exhortations which Parliament made in the various motions to which I have just referred. It is against this background, I think, that one needs to look at the report from the Committee on Agriculture. If one reads only as far as the second paragraph where the committee calls for guarantee expenditure to increase less rapidly than Community resources, the report appears to be consistent with the views of Parliament that I have just mentioned. Thereafter, however, the committee's proposals amount, I am sorry to say, to the rejection of all cost-restraining measures and the advocacy of further price increases on the grounds that the Commission's proposals are inadequate.

I must, Mr President, draw attention to the sharp contrast between this recommendation and Parliament's position of last December. It is, I believe, impossible to vote for the Committee on Agriculture's proposal and to remain consistent with Parliament's position of 3 months ago.

(Applause)

I was encouraged last night when Mr Notenboom in a notable speech, which unfortunately occurred just before the end of the sitting, drew attention to this very point himself.

Mr Mouchel has, I understand, been reluctant to cost his suggestions. Admittedly it is difficult to do so in certain areas, but the House must be aware of the orders of magnitude involved. The Committee on Agriculture's suggestions on such important elements as price increases, MCA changes and production thresholds would involve an additional cost amounting to approximately three times that of the Commission's proposals, that is to say, 900 million ECU rather than 360 million in 1983 and 2 200 million ECU rather than 760 in 1984. As regards the committee's other suggestions, a precise forecast is less easy to make because of

their imprecision. It is, however, fair to say that whereas some could reduce costs, many would increase them. It is equally fair to add that were they to be proposed, it is the cost-generating rather than the cost-saving ideas which would be more likely to be adopted by the Council.

To put the figure of 2 200 million ECU into perspective, Parliament should be aware that this increase is greater than total Community support for either social or regional policy. Moreover, it exceeds by some threefold the increases Parliament voted for its priority areas, employment and development, and again there have been some notable speeches about the need for more money to be spent on development in the 1983 budget. The Commission does not consider that the Committee on Agriculture's proposals can therefore be regarded as balanced. A balance must, however, be struck between agricultural policy and budget considerations. To those who say that the Commission is subordinating everything to the budget, I would point out that, even for such an important product as dairying, our proposals still leave the budget to finance at least half the cost of disposal of surplus production above the threshold level. It is important, Mr President, for farmers to realize that when production outstrips consumption levels and supplies have to be exported, they cannot rely on open-ended recourse to the budget for support.

The Committee on Agriculture's report refers to the EAGGF underspend in the last two years. But that, I am sorry to say, is history. It is what is happening this year and what is likely to happen later that should be considered. Agricultural expenditure in 1983 is running way ahead of the rate of recent years. For the first three months of this year alone advances to Member States totalled 4 053 million ECU, an increase of 27% over the first three months of 1982. In terms of this year's appropriations, current expenditure is some 12% ahead of the budgeted rate. If this trend continues, it will be necessary in any event, as the Committee on Agriculture points out, to reinforce EAGGF guarantee credits through a supplementary budget. Such reinforcement could, contrary to the implication in the report now before the House, in no way justify action to increase spending by a further significant amount. Indeed, it indicates the opposite. Incidentally, this acceleration of expenditure takes no account of the cost increases that would flow from a deterioration in trade relations with the United States. The Commission will do whatever it can to avoid such a deterioration, but our scope is, of course, limited. As Mr Ertl pointed out in his speech, it takes two to reach agreement. Thus, if world prices of, say, cereals and dairy products — to take just two products — were to fall by only 10%, budget costs on export refunds would increase by about 650 million ECU a year.

Mr President, in order to sustain a healthy agricultural industry in the Community, which is what the Commission, as well as Parliament and the Council want to

Tugendhat

see, adequate finance must be available. However, the healthy development of the remainder of the Community's activities likewise requires adequate finance. The additional resources that will be needed for agriculture depend to a large extent on the decisions the Agriculture Ministers are soon to take. A large part of the appropriations to be entered in the 1984 budget will be determined on that occasion. When, therefore, Parliament votes on the motion for a resolution now being debated, it will, I hope, bear in mind that preliminary estimates suggest that even if the Council adopts the Commission's proposals, expenditure on EAGGF guarantee in 1984 is likely to increase over the 1983 budget by a rate double that of the increase in available own-resources.

Mr President, no-one in this House needs to be reminded that the Community's own resources are already limited. This year the margin is 2 900 million ECU which includes 1 300 million ECU fortuitously available from previous years due to conjunctural circumstances which are most unlikely to be repeated. We, the Community, are thus at present using something approaching 95% of the total potentially available resources. Parliament's Committee on Agriculture is inviting us to drive full tilt towards the ceiling.

To those who wish to curb the increase in agricultural expenditure, and therefore demonstrate that the Community has the will to control the cost of the Common Agricultural Policy, I urge you to reject the advice of that committee. To those who wish to help foster the healthy development of agriculture and those engaged in it, I would give the same advice. It is simply not possible for the agricultural industry to be helped if due care is not taken of the budget burden and of all the other sectors and economic interests that have to be considered. Parliament and the Commission want to see the Community endowed with additional own resources. Both Parliament and the Commission agree that such resources are needed if the Community interest is to be safeguarded.

But with the best will in the world, the task of introducing these resources is going to be difficult to accomplish. Parliament itself has already stipulated that the alteration of the ceiling of own resources should be accompanied by a more rational and economical restructuring of the Community budget. Parliament has emphasized the need to bring agricultural expenditure under control. Without such control, the difficult task of extending the Community's own resources could be made virtually impossible. The Commission's proposals on agricultural prices and related measures reflect what we believe to be the right balance between prudence and responsibility. In advocating massively expensive changes to our proposals, Parliament would destroy that balance and would be inconsistent with its own repeatedly-declared objectives.

Mr President, the Commission has tried to follow the injunctions and the exhortations made by Parliament

in previous debates. As my colleague Mr Dalsager said in his speech yesterday, in many respects the ideas in our proposals are yours even if the words and the names are ours.

I therefore beg of Parliament to support the Commission in proposals which we believe are in the best interests of the Community as a whole and in the best interests of the Common Agricultural Policy.

(Applause)

Mr Wettig (S). — *(DE)* Mr President, ladies and gentlemen, Commissioner Tugendhat has spoken of the deplorable gap to which repeated reference has been made in Parliament's debates on the budget and agriculture since 1979. This deplorable gap will, if the House adopts the report of the Committee on Agriculture, become far larger: the majority of the Committee on Agriculture has submitted a report that is marked by a great sense of irresponsibility, that combines everything that anybody could expect of the agricultural policy and makes it the programme for the decisions on farm prices this year.

The strategy adopted by the Committee on Agriculture in fact makes sense only if the idea is that the agricultural policy should be reformed at the expense of financial collapse and the Community's solvency.

(Applause)

Being a member of the Committee on Agriculture, I think I know what most of its members feel, and this is not their intention. Their intention is undoubtedly that what Parliament decides in this matter should be something that the Council will certainly not approve but will look at with a reasonable eye and adjust. The slogan 'The Council will put it right' has been used to put forward senseless proposals, the only purpose of which is to curry sympathy in the Member States.

I do not think this is a reasonable approach, because it will only weaken the position the European Parliament has undoubtedly gained in the deliberations on the budget. I can do no more than appeal to all Members of the House to think about this very carefully, because there is no denying that, while there is considerable sympathy for Europe in all the Community's Member States, sympathy for its institutions is on the wane. The common agricultural policy is without a doubt partly to blame for this, because unmistakable signs of its degeneration are meeting with a growing lack of understanding. Every Member of the House should bear this in mind when deciding his position on the price decisions.

To my political friends I should like to say that it is not the level of agricultural prices that is our problem. We would have been prepared to discuss a figure other than that proposed by the Commission. We would also

Wettig

have been prepared to discuss compensation for certain Member States particularly hard hit by inflation, a specific example being Ireland.

The main problem — as the Commissioner has clearly shown with the budget figures he has quoted — is how to tackle the surpluses. The Committee on Agriculture, or the majority of its members, does not even attempt an answer to this question. It is surely quite obvious that, even where it concerns the surpluses, the present policy does very little to help solve the income problems which the worse-off farmers face. It is quite obvious that the present policy on surpluses does nothing to alleviate the differences between North and South. On the contrary, if we look at the figures more closely, these problems are being aggravated, although the Commission is trying to help Mediterranean products with its price decisions.

As the draftsman of the opinion of the Committee on Development and Cooperation has already said, economic resources are being wasted under the present policy on surpluses, as the example of sugar makes abundantly clear.

Furthermore, what we permit in certain areas under the policy on surpluses is, of course, environmentally questionable.

I was pleased to hear the President of the Council refer to a number of trade problems. I totally agree with him when he says that we are also interested in a division of labour in agriculture. But the report adopted by the majority of the Committee on Agriculture serves precisely the opposite purpose, since it calls for the extension of the Community preference wherever possible, which in practice will always mean a decrease in the division of labour among the major trading nations and the increasing danger of trade disputes.

To conclude, I would refer to the problems that exist between the European Community and the United States. There is no denying that policy on trade between the Community and the United States cannot be one-sided. But it is undoubtedly also true to say that the Community would be well advised not to tighten up its policy towards the United States unilaterally, and that is what would happen with substitutes if we accepted the proposals contained in the Mouchel report: that would be tantamount to declaring an open trade war on the USA.

All in all, this report signifies a major change for the worse in Parliament's views on the agricultural policy, and some of the things Parliament has said on this subject in the past have been questionable enough. It would be an irresponsible act for this report to be adopted. My political friends and I will not therefore be voting for it.

(Applause)

Mr Clinton (PPE). — Mr Président, I should like to say that I am pleased to see Mr Ertl back in his position as President-in-Office of the Council of Ministers after a successful election campaign. He is the oldest and the most experienced Minister in the Community, and I wish to thank him for his further words of wisdom and support here this morning.

In relation to the statement made by the Vice-President of the Commission, let me say that I am not in the least surprised. One thing about Mr Tugendhat is that he has been perfectly consistent over the years. I have been close to this scene now for at least 10 years and I do not remember a single occasion when he did not say that the prices proposed were far too high, that the Community was facing ruin and that there was no way we could find the money: this was the theme, and the theme-song still continues. The Community has gone on, and last year, as we know, we had a huge saving, regardless of Mr Tugendhat's estimates.

The Mouchel report is a good report and it deserves the support of Parliament. Of 40 Members present and voting in the Committee on Agriculture, only 12 voted against it. The attitude of those 12 is totally predictable at all times on matters relating to agriculture: they are on the committee for one purpose, and that is to kill the Common Agricultural Policy.

(Cries of 'Not true' and 'Rubbish' from the European Democratic Group)

That is their sole purpose on that committee.

Last year, this Parliament voted for 14%; this year we are asking for half that figure — 7% — which is totally inadequate for at least three of the Member States. I shall come back to that later.

This report urges that the Council agree on the prices and related measures before 1 April and that if this is not achieved, prices be made retroactive to the start of the marketing year as far as that is possible. This is mainly because of the huge losses suffered last year by farmers, especially livestock farmers, as a result of the failure of the Council to reach agreement on time.

This report reminds us of the very serious decline in income suffered by farmers in recent years. In Ireland, the national family-farm income dropped in real terms by 33% in 1979 and by 35% in 1980. By the end of 1980, therefore it had fallen in real terms by 55% below the 1978 level: within 2 or 3 years, while the Commission was opposing price increases and saying they were too high, farmers' incomes dropped substantially. Last year, we in Ireland got an improvement in income of 0.5%. This is the Commission's own figure. In other words, since we joined the EMS, with no further possibility for green pound changes; with high inflation and high bank-interest rates, there is no way our farmers can start to recover unless we get

Clinton

special measures of very exceptional value over a number of years.

To me it does not make sense to be talking, on the one hand, about enabling weak Member States heavily dependent on agriculture to converge and, on the other, to be demanding co-responsibility levies in severely handicapped areas where family incomes are as low as 50 Irish pounds. This unreasonable application of co-responsibility and of production thresholds in regions like Ireland, which are still totally underdeveloped, badly needs to be seriously re-examined and reassessed. One thing that is brought out very strongly in the report on inflation are the enormous disparities in incomes, not only as between different Member States but also between regions in the same country, depending mainly on the type of products being produced. It shows, too, very clearly the inadequacy and unsuitability of the methods being used by the Commission to assess the income situation and to provide assurances of more or less equal treatment for all producers when arranging a price package. I fully appreciate the importance of holding on to the principle of common prices, but in the varying circumstances I describe, and in the absence of economic and monetary union, there must be a possibility to use some form of equalizer so that the benefits of membership of the Community can be fairly distributed.

The Commission should stop talking about averages, because this only serves to hide the true picture and avoid necessary action in regions where real difficulties exist. We should also stop over-stating the difficulties with the United States. The United States has its own difficulties with its own farmers, but this Community cannot allow them to solve these difficulties at our expense. They are the offenders in this instance, and we should not run away. In the case of the pipeline we stood our ground. No apology is called for, either, in the way we have traded our agricultural products outside the Community or in relation to the level of support provided for our farmers. In circumstances where half the world is starving, I think the areas that can efficiently produce food are the lucky areas and nobody should have the right to tell them to stop.

Mr President, I have a good deal more to say, but there is no way of saying it under the requirement of having to do so in four minutes.

(Applause)

Mr Hord (ED). — Mr President, I think if Aesop was alive today, he would be tempted to write a fable about the EEC and the CAP. I was reminded of Mr Arndt, back in January, then we were discussing the Commission's report on policy proposals for 1983. He likened the EEC to a snail. He was complaining about the progress of the EEC snail. It seems to me that Mr Arndt's snail has got itself up a very steep mountain —

possibly a food mountain — and it is on the point of falling back to the bottom of the mountain, and does.

Perhaps somebody like Aesop may be tempted to put a notice up at the bottom of the mountain: 'EEC devoured by CAP, RIP'.

Mr President, we have a disastrous situation in the Community in terms of its agricultural policy. The last ten years have seen no movement towards a realistic or relevant set of proposals for agriculture. When we first came into Parliament, the pro-agriculture lobby was complaining that those people who wanted reform in agriculture were trying to undermine the EEC. Today the ongoing costs, building up and up remorselessly in terms of agricultural expenditure, are in fact undermining the EEC itself. We see how structural surpluses abound. Records are broken every year, and not just when the sun shines. Every year we get records.

When we look at milk which is taking close to 40% of the Community budget, the consumption is broadly 88 million tonnes. This year production has gone up to 99 million tonnes — yet another 3.5% increase in production. The Commission estimates that production of milk will go up by 1989 to something like 114 million tonnes without consumption increasing. We are likely, even on what I believe to be the Commission's conservative estimates, to have a double amount of milk surpluses in 1989. When you look at the graph that the Commission produces, Mr President, you see that production is due to go off the sheet. There is not one dent in the line. Inexorably and remorselessly production goes up and up. It does not matter whether it is co-responsibility levy, conversion premiums, suckler premiums; none of those things have done anything to stem the tide of milk production. 800 000 tonnes of dairy produce are currently in the stores, all at the expense of the taxpayer.

Yesterday Mr Maher was complaining about the cost to the farmer and suggesting that we should cut off the cheap imports of cereal substitutes. Well perhaps he should make that same point to the pig producers and the egg producers. They cannot produce eggs on green Irish grass. They rely on cereal substitutes, so I think he wants to be clear as to what some of his colleagues in the farming world believe. EEC cereals are now so expensive that livestock producers would go out of business completely if they had to pay the full extortionate and artificial intervention prices for those products rather than to rely on cheaper cereal substitute imports.

Mr President, what is clear is that the CAP is now cursed from both without and within the Community. We have the United States cursing the EEC agricultural policy, and a potential trade war looms. We see our friends in Australia and New Zealand increasingly cursing the effects of the common agricultural policy. We even see our ACP friends concerned as to the way in which the Community is hurting them by prejudic-

Hord

ing their traditional exports to the EEC, and we also see how many developing countries outside the ACP are very troubled at the way in which Community policies are moving, which will only serve to prejudice their scope for development.

From within, Mr President, we see the common agricultural policy being cursed by the European taxpayer, because the CAP takes an absurdly high and unfair proportion of a growing EEC budget. We see how the 88% non-agricultural electorate are increasingly cursing the irrelevance of EEC expenditure on agriculture, when it is the non-agricultural sector which is having to face up to the real ravages of the recession with these unacceptable levels of unemployment. It is cursed by the consumers and the food processors who ask why they should have the most expensive food in the world when we are supposed to be the most efficient. We have a situation where the CAP is now being cursed even by the farmers themselves, and we have the makings of internecine battles within the agriculture industry with the pigmeat people asking why they should not have the preferential treatment being given to the sheepmeat producers, the beef producers, the poultry sector and so on.

So, Mr President, I believe that the CAP has become a disaster. *Le Monde* was saying the other day how national aids have made a complete nonsense of the CAP. The equivalent of 8 billion pounds is now being spent every year by the French Government in supporting agriculture.

I would suggest that the only worthwhile proposals for reform were put forward by Parliament in the Plumb report. Neither the Council nor the Commission have done anything about this, and we have seen the common agricultural policy get more and more expensive. Mr President, the Council and the Commission, in my submission, have to be indicted for this mammoth act of maladministration. The era of a blank cheque agricultural policy should be terminated at once. We must insist on a crash programme of agricultural reforms and ensure that this year's price review does not exceed by one ECU the Commission's price proposals.

Mr Vitale (COM). — (IT) Mr President, ladies and gentlemen, the fact that this year, unlike previous years, the difference between the price increases proposed by the Commission and those requested by the producers' organizations is only very small, is first and foremost a political signal that shows how widely, now, people are aware of the extent of the crisis afflicting Europe. The farmers — and for that matter the manual workers and consumers too — are making their share of sacrifices in order to get economic development under way again. For this reason, therefore, the confrontation this year, in this Chamber, on the question of agricultural prices is less dramatic; we shall see later what happens in the Council, following Mr Ertl's threats.

There is, however, something else, that has taken on an even more dramatic aspect than in previous years — even though we don't talk about it very much here — and appears in an even more unacceptable light than in the past, and that is the imbalance, which has become even worse, between territories, sectors of production and segments of society, within the Community. This year, as never before, is the year of sacrifices. Incomes at the bottom of the scale are diverging widely from those at the top; incomes in Ireland and Italy are very different from those in the Netherlands and Germany. Never before have incomes in some areas of farming — Mediterranean products, for example — differed so widely from those in other sectors, such as cereal growing and stock-rearing: increasingly marked 'inflationary' differentials are the underlying cause of a spiral that presents a political problem, since it tends to divide Europe.

This is the main problem today, the most dramatic one that we have to face: it is a problem, however, that no-one wants to face, in hard fact, with anything more than words. Not the Commission, which hides behind the claim that the level of inflation is an internal matter in each different country (as though we did not know that it is precisely some effects of the common agricultural policy on the balance of trade that help to fuel the high rates of inflation in some countries!); not Parliament, that even yesterday refused to link the Maher report with the prices debate, thus separating two subjects that are very closely connected — as the Commissioner himself pointed out — and leaving today's discussion hanging in a vacuum; not the Council, in which each Government tries to put the blame on the others — so it is said, and that astonishes me — for the unpleasant effects of inflation differentials. The political crux is not the difference between 5½% and 7%. The political crux is the fact that the proposals of the Commission are totally unsatisfactory. And the Mouchel report appears even more unsatisfactory to our eyes, seeking as it does to suppress certain aspects of the proposals of the Commission that we consider important from the standpoint of a new general strategy and general re-equilibrium, such as the progressive alignment of the prices of cereals with world prices, the fixing of ceilings for the production of certain products, and the reduction of guarantees for some products that are in excess.

It is true that in the Mouchel report — partly because an amendment to this effect was accepted — special measures are requested for countries with a high rate of inflation, in order to restore equilibrium. But what is the sense — I ask all my colleagues, not only Mr Mouchel — of this request, when it is then proposed to renew those old mechanisms that seemed to have been superseded after the mandate of 30 May and which, down the geats, have produced the imbalance affecting the Community today, and have contributed to the divergence in the rates of inflation?

Vitale

We are told that the problems of restoring equilibrium in regard to incomes can only be solved by means of structural policies.

This is an argument that we reject for two fundamental reasons. Firstly, because it is false. In fact, in a market economy — and it is incredible that I should be standing here defending the laws of the market economy! — a more selective prices policy, a better balanced system of guarantee, together with special measures in support of the market for certain products, tend in themselves to restore the balance of incomes, and to change the structure. Secondly, whilst we reaffirm the importance of structural policies, this year's quota for these policies in the Community budget has fallen, and the discussion on what this structural policy should be is constantly being put off, so that this year, as always, we again have those who are getting fat on the genuine substance of agricultural prices, on the one hand, and those who are left to manage with the inconclusive talk of structural policies on the other!

This, Mr Commissioner Dalsager, is what makes the presentation of the Mediterranean programmes, and the debate on this subject, so very urgent, and they will only be of importance if they cause the entire structural policy of the Community to be reviewed — inflationary differentials and structural policies alike. These are the two points on which the discussion is so one-sided. They are two points that, today, constitute the real problems against which we should measure ourselves and they are the two subjects that are, in effect, missing from this debate.

If the Commission had integrated these two problems in its proposals, we should have been able to declare our agreement with those proposals, since we are in agreement both with the modest increase in prices and with the reduction of guarantees — for some products that have hitherto been over-protected — which we consider to be the most useful measures, rather than the co-responsibility levy, which has proved to be totally ineffective.

Moderate, well-regulated increases and reduced guarantees are the main prongs today for a new policy, both for internal and international reasons: internal, to restore equilibrium, to which I referred earlier; international, bearing in mind that we have progressively to bring internal prices and world prices closer together if we genuinely want to give support to competition with the United States without setting off on a trade war from which, when all is said and done, we should not have very much to gain.

The amendments that we have put forward meet these requirements: some, so as to support the principles expressed by the Commission in the Mandate of 30 May — 'ceilings' for some products; a reduction in guarantees; prices more in line with those of the world market — principles that the Committee on Agricul-

ture, in the Mouchel report, again wishes to cancel: and others, to emphasize the need to resolve the problems of specific regions, sectors and segments of society that are less strong.

I am happy to see that numerous amendments from the Socialist Group are along these same lines, which means that, where agricultural policy is concerned, there is one field in which — for a purely objective convergence of views, and tomorrow, I hope, for more logically argued reasons — almost the entire European Left is mobilized.

I should like to end by saying that the more the farmers are asked for sacrifices and austerity — as they have been asked this year — the more necessary is it to be able to distinguish the positions of the weak from those of the strong, so as to distribute these sacrifices in a way that will not increase but instead reduce the gap that exists today between the poor farmers and those less poor, the weak and those less weak.

Until these principles are translated into concrete measures — and today there is still no sign of them in the Commission's proposals — our reaction can only be one of deep dissatisfaction, and our vote — I state this now — can only be against the motion.

(Applause from the Communist and Allies Group).

Mr Brøndlund Nielsen (L). — (DA) For the ten years or so that I have been in Parliament it has been the practice in certain quarters to attack the common agricultural policy by loading it with budget problems. I would remind you however that, on the contrary, the agricultural policy has for the past few years secured savings of such a size that they have made money available for considerable extraordinary payments to Great Britain. I find it unreasonable that it should be attacked in this way. I think that we have got things completely out of proportion. Of course money has to be spent if food supplies are to be maintained.

I would also mention something which may put this into relief: last week saw the publication of the annual report for 1982 of a major European multinational food group. The report showed a turnover which matched the entire budget of the European Community. Yes, a single firm in the industrial foodstuffs sector has a turnover matching the entire Community budget, not just the Community budget for agriculture! If there are people in Parliament who sometimes vote for certain budget positions which attack the agricultural policy, I do not think it is because these people — at least many of them — have anything against the agricultural policy. It is because Parliament's influence on budget questions has unfortunately been bound up with the agricultural policy, in the sense that, since agricultural expenditure is compulsory expenditure, the majority in Parliament can acquire more influence on the non-compulsory expenditure by

Brøndlund Nielsen

seeking to limit compulsory expenditure. I think that this is what is happening and for that reason, in my opinion, we should not take the views of that majority equally seriously in all instances.

For that reason too I have put down a motion to omit point C. The way it is framed, in my opinion, is in direct conflict with the Treaty itself. Of course there are fluctuations in the expenditure on agricultural policy and, hitherto, it has been possible to keep these fluctuations well within the limits of resources. That may perhaps no longer be possible, but it is not the fault of the agricultural policy. For many years it has been possible to absorb the fluctuations, and if the Community's resources run out, it is because a large number of other expenditures have gradually increased to such proportions that they are undermining the Community's economic potential. I therefore welcome the Commission's contribution to the debate in regard to ways of creating new sources of income. Not all ideas are as good.

I feel it is right for the Commission to suggest breaking through the 1% ceiling. But I do not think that it is a good idea, for example, to adjust the financing of resources to the agricultural production of the Member States. Countries which do not have such a high agricultural production should instead try to exploit the market in industrial free trade. I would ask my British friends here how it happened that their political ally, the Danish Trade and Industry Minister, the other day was able to point out that, while the British a decade ago were our biggest suppliers of cars, they sold us just 22 cars in 1982. Take advantage of this market and take advantage of your membership of the EEC!

Finally I should like to say that I have tabled an amendment making a small correction to the point which refers to the increase which has taken place in Danish farm incomes. It is an increase which started from a very low level; thus it is easy to arrive at a high percentage. But the fact remains that Danish farmers have an income which by no means matches that enjoyed by the rest of the nation, also that they have a very long working day. I therefore consider that this small correction, pointing out that the increase was from a very low starting level, should be included.

Mr Lalor (DEP). — Mr President, I would like to make a few comments on Commissioner Dalsager's speech to the House last evening. Maybe I should refer to Commissioner Thatcher-Tugendhat's speech this morning, but I think that he is so opposed to agriculture that it might be just as well for me to avoid getting angry and working myself up by dealing with the contribution that he made this morning.

We heard from Mr Dalsager yesterday evening the usual litany of substantial increases in incomes for farmers, the problem of structural surpluses and the

need to limit spending on the common agricultural policy.

On the first point, let me remind the Commission, as other speakers before me have done, that if certain Member States had price increases of over 20% in 1982, others, like my country, found themselves at the other end of the scale with an increase of less than 2%. The years 1979, 1980 and 1981 gave Ireland a net decrease in farm incomes of more than -50%. Therefore, if I followed Commissioner Dalsager's reasoning in this regard, the 'bonanza' amounted to +2%-50%. I do not think that can be accepted.

This brings me to surplus production. From the outset let me remind the House that one of the major factors responsible for surpluses is cheap levy-free imports of substitute feedstuffs. These imports are widely used by certain Member States to the detriment of the Community-grown feed grain which is subsequently stored at enormous cost. In the mean time, third country and notably cheap American products are being used in the milk sector giving much higher yields for a much lower input. The result is blatantly obvious: we find ourselves yet again with large surpluses of butter and skimmed milk powder which we are incapable of selling. Here again the Commission must bear grave responsibility. Why are we incapable — and by we I mean the Commission — of selling on the world markets? Because the US and others are pricing us out of the available markets.

Furthermore, as I see it, the Commission takes credit for the so-called exceptional year of 1982. Need I remind the Commission that its price proposal last year was 9%? Need I remind Commissioner Dalsager of the exact terms of his justification to this Parliament of those price proposals? Need I remind the Commissioner of his doomsday speech and the prediction of catastrophe if the Commission's proposals were not implemented? It reminded me of what Commissioner Dalsager said yesterday.

Unfortunately, I do not have the time to go into this in the few minutes at my disposal. However, I do invite all my colleagues to consult the Official Journal dated 24 March last, and judge for themselves. We all know that the Council of Ministers adopted a price increase of 12.5 which, I might add, was far closer to the opinion of Parliament than the initial Commission proposals. The good Lord gave us the necessary sun and rain to produce a bumper harvest last year. But it was just one year, contrary to what Mr Hord said a few moments ago. But by what miracle do the Commission's moneybags increase and multiply? Here again, if I follow the Commission's reasoning, $9 = 100$. Following the same reason, $+9-12.5 = \text{bankruptcy}$. And if I base myself on reality the Commission's $+9$ and the Council's $+12.5$ equals the $+1.2$ billion units of account.

This year again we are hearing the very same refrain from the Commission. Could it be that the men of the

Lalor

thirteenth floor in the Berlaymont actually agree with a 7% price increase as requested by the Mouchel report? Could it be that they are awaiting certain monetary adjustments, notably because of the Deutschmark, to artificially push up the prices, not to mention the creation of additional positive MCAs — but that is another matter? Is the Commission's attitude: 'Oh, Lord, I want to wash my hands', I wonder?

Mr Blaney (CDI). — Mr President, it is rather depressing that over the years I have listened to debates similar to today's. Each year the refrain seems to be the same. Whether it is from the left or the right of the House, or whether it is from left or right in the ideological sense there seems to be a wide gap between the two extremes, if one could call them that: those who are pro-agriculture and those who seem to be anti-agriculture or pro-consumer, pro-worker. There does not seem to be any real getting together, and yet listening to the excellent speeches, depending on how one views the content, of Mr Ertl, the President-in-Office of the Council, of Mr Tugendhat, who has been taken to task by many of my colleagues here today, and of Commissioner Dalsager last night, one wonders why the viewpoints of these three typified by their speeches, cannot be brought together with all the resources that are available to them in their various capacities, so as to try and close the gap.

I am not talking now about the gap in incomes or any such thing, but of the gap between our outlook as to what should be our aim in agricultural policy. How it can serve the entire Community and how we can get rid of this wrangling that goes on annually — in fact almost right throughout the year. We are no sooner finished with one than we start on the next, and come this time next year, if we are all still here, we shall probably be no nearer a consensus on what it is all about than we are today.

That there is a very important role to be played by agriculture is my particular view. It plays in my own country more than just an important role. It plays an absolutely vital role and one in five of our population is directly engaged in the agricultural industry. Almost 40% of our total exports comes from the produce of the farms of my country, Ireland. We cannot possibly survive in a country such as mine which is so heavily dependent on the agricultural industry and the farming industry: anything that does not help, or indeed minimizes, the return from that industry in the circumstances which obtain in my country, can only spell disaster for the entire community of that country which is, after all, a Member State of the EEC.

I believe and have believed that the whole concept of the Economic Community — whether it be of 6, 9, 10, 12 or 15 whatever number of Member States — is that we come together in order that the entire population of all our nations in the Community, and indeed many outside our Community, are the better for the exer-

cise. But that is not the way that I see it has worked and certainly it is not the way it has worked in relation to the economy of the small country to which I belong. We have seen, as you have heard from other of my Irish colleagues here today, that in recent years, our agricultural industry has shown a loss of up to 50% as against 4 or 5 years ago.

Then we hear the voices of those who talk of the huge increases that there were in agricultural incomes last year without taking the slightest account of it being an exceptional year and that the outturn during that year will assuredly not — unless there are two moons in the sky — be repeated again in 1983 and God knows when it will be repeated in the years ahead. But what we do know does exist is the continuing downward trend, for regions of other Member States, in the living standards of those who live off the land.

Are there those still here in this Parliament who believe that world market prices are the only yardsticks by which the prices of our produce within the Community should be measured? Are they prepared to pay the price of shortage as it would arise from time to time? I heard talk here today about the price of sugar on the world market now being only 30% of the price within the Community. How short are their memories? Only a couple of years ago the price within the Community was less than the world price.

Can that happen again and will it happen again? I believe assuredly that it will not, not only in relation to sugar but in relation to every other item of food that our agricultural industry produces within the Community. If we were not producing as we are, what would we be asked to pay? What would the worker be asked to pay, the non-agricultural worker? What would be the consumers' role in those circumstances of scarcity if they were held to ransom by interests in other parts of the world who would no doubt take advantage of our shortages if we were foolish enough, by mismanagement or by inadequate support, to abandon our farming and agricultural industry and go to the world market — this world market which seems to be of such value to some people in this Parliament, people who do not see beyond the fact that a price can be artificially brought down, that food is coming into this Community at dumping prices, that there are feedstuffs and food being brought into the Community at questionable prices.

And yet we are asking, and being asked, to compel our most important industry and the only real policy that we have developed since the inception of this Community, to be manipulated by the powers-that-be in the international economic operations outside the Community. Of course we have allies in the Community who take advantage of the dumped feed, the feed that produces the surpluses that our agricultural community is then blamed for. We bring in feed that is feed to cows to produce more milk in countries in the Community that never had a surplus before. We take

Blaney

it in to produce more beef and then produce a surplus in the Community and blame the farmers of the Community for it. This is done in the interests of the manufacturing industry.

Let those who talk about the non-agricultural worker and the consumer being bled white by the prices we must pay for our farm produce think a little and look around them and ask themselves: If these things are coming in duty-free, or at very low duties, and if they are being used to produce surpluses of agricultural produce in return for freer markets for our manufactured goods, what would happen if the workers were told that they could not export their manufactured goods and there would not be a job for them in the local factory? These are the realities we have got to face up to. These are the realities we are not facing up to. I would wish, as I said at the outset, with the obvious brain power that is available to us and the knowledge that our various people have at all levels — Council, Commission and so forth — that they could come together and work out a Community policy in regard to agriculture and all other matters for the benefit of our Community. Let us get rid of the wrangling that is going on all the time and try and close the gap in the ideology of the EEC and do this, as we had hoped it would be done under the Treaty of Rome all those years ago, for the benefit not only of the Member States but also for the good and benefit of all peoples in all parts of the globe.

Mrs Castle (S). — Mr President, I have listened to this debate with a growing sense of irony, not to say cynicism, because my mind has gone back to last December when this Parliament threw out the Council's agreement on the UK contribution. In a burst of self-righteousness it said it was not going to have any more to do with *ad hoc* solutions. Indeed, in its resolution it trounced the Council for not showing the political will to find definitive solutions to the financial imbalances in the Community.

Does this Parliament, however, want to find a long term solution? It hasn't shown much signs of it in the past two years, and I cannot say that I have seen much signs of it in the debate we have had so far. It was pathetic to listen to Mr Lalor attacking Mr Tugendhat for telling us the facts. Mr Lalor did not like the facts, but facts are facts and they will not go away. As everyone knows, a long-term solution to the financial imbalances in the Community must have two parts. On the one hand we must have a better way of raising the contributions and on the other we must have a fairer way of distributing the revenue. Since the 1980 mandate that was given to it, the Commission has made a series of proposals to deal with this. I don't think they have gone anywhere near far enough. But what has Parliament done? Thrown them out as being far too radical!

Let us take the guidelines for European agriculture which the Commission produced in October 1981. It

said we would only solve the problem of surpluses by two steps — firstly, by narrowing the gap between Community prices and those of our major competitors and secondly, by setting production targets and strictly enforcing financial penalties where those targets were exceeded. Well, what happened? The prices settlement last year wasn't a step towards that goal, it was a dramatic step back. The Commission proposed a 9% increase, which was far too large, as I and others said at the time. But what did Parliament do? Oh, Parliament was not going to be content with less than 14% and no production controls at all. The Council was not much better when it gave us 11 and ½%. The attempt to get production controls into operation was postponed for another year. And what is the result? We are all facing it at the present time. We have it drummed into us by our Commissioners. I noticed Mr Ertl skated rather delicately over these facts, but we all know that following that excessive price increase milk production went through the roof. The increase wasn't the estimated half per cent, but 3 and ½%. The stockpiles of butter and skimmed milk powder are mounting relentlessly again. We have already in 1982 nearly hit the production target the Commission set for 1988. As Mr Tugendhat has told us dramatically this morning, the 1983 budget is in ruins. We are practically back to the bad old days of 1978 to 1979.

So what is this Parliament going to do about it? This is our test. It is no good passing any more resolutions complaining about other people unless in the vote on Thursday we stand up and are counted for reform and for the sort of reforms we have demanded. Surely we must accept that the Mouchel report is a disgrace. Not only does it propose a 7% price increase, faced with these mounting surpluses, but it utterly rejects production controls. Only more and more! Give me more money and damn the consequences! Let the consumers and taxpayers of Europe foot the bill.

However, I must say that the Commission's own proposals, though obviously an improvement on Mouchel, are still far too inadequate. Indeed it was interesting to hear Mr Tugendhat say this morning that even if the Commission's proposals are adopted by this Parliament, we shall still in 1984 have thrown away one of our objectives and allowed agricultural spending to go ahead at double the rate of Community's own resources. I hope I heard him correctly, but that is what he seemed to say. So even the Commission's proposals are only tinkering with the problem that faces us. I am glad the Commission is now proposing to cut the price increase for milk still further to 2 and ½%. Yes, they creep slowly forward towards the cures that they know we must accept. But I would remind this Parliament that we are dealing with a 3 and ½% increase in production and it takes a 3% price reduction to clear a 1% increase in production.

The Commission's proposals are just not facing up to the problems with which we have got to deal. The moral is clear. If we want to get rid of excess produc-

Castle

tion, there should be no increase at all in the price of milk, particularly as the Council of Ministers has still not agreed on any specific production controls in the milk sector. It has not been as specific, for instance, as it has in cereals. It is tinkering with it, still running away, still politically afraid to face up to the realities. The same price freeze should apply to other products which have exceeded their thresholds, notably cereals and sugar.

That is what we are demanding in the amendment tabled by Members from the British Labour Party. We should offset this further cut in the intervention price by abolishing the co-responsibility levy altogether, which is an irrelevant tax, and increasing the income payments to small farmers. British Conservatives have wrung their hands during this debate and denounced the failings of the common agricultural policy. I challenge them today to have the courage to take the first step which must be taken if reform is ever to be achieved and to vote for the price freeze that we are advocating. Let us at last have some action by this Parliament.

Mr Bocklet (PPE). — (*DE*) Mr President, ladies and gentlemen, I should like to begin by thanking the President-in-Office of the Council for speaking with such refreshing sincerity and frankness. This has been one of the few times that a Council President has not barricaded himself behind diplomatic phrases, but spoken in terms that everyone can understand.

(*Applause*)

I cannot, however, agree with Mrs Barbara Castle, because hers was the most unsocial proposal there can be in politics, a policy of pressure on prices, of structural change through pressure on prices. That is why I do not believe we can accept the kind of advice that Mrs Castle has given us.

I should like to take this opportunity to discuss briefly four guiding concepts that have repeatedly been referred to during the debate. First, the trend in incomes. One thing is certain: incomes in agriculture are still well below the incomes of other, comparable sections of the population. There is no denying this. With 12 million unemployed in the Community, in other words, more unemployed than there are farmers in the Community, structural change is out of the question. What other possibilities are there? Production could be increased in order to raise incomes, but we are agreed that that is unacceptable because we do not want the surpluses to increase. The only alternative, therefore, is to pursue an active price policy. Consequently, I do not see why COPA's proposal should not be acceptable to this House. COPA very much deserves a little praise this year. It has adopted a very responsible attitude. It has not asked for more, which it might well have done. We should not therefore think that we must offer less simply because COPA has called for 7%.

And now to the situation on the world market. The revival of the world economy, of which we see hopeful signs in the various Member States of the Community and which is also discernible in the USA, though with something of a time lag, will help to solve part of our problem with surpluses. As regards the other aspect, the question of our relationship with the USA, I should like to quote the President of the National Farmers Union of the United States, Mr Stone. He has said that we will not get any further with additional pressure on prices. Export prices are already well below production costs. We must come to some kind of mutual agreement with other exporters and importers on raising prices to a reasonable level. I can only agree with that. If we try to solve the problems together in this way, we shall, in my opinion, make some real progress.

And now a few words on the budget. Unfortunately, the Commissioner responsible has just left the Chamber. Anyone who has followed the debates in recent years will have noticed that the figures the Commission proposed were not worth the paper they were written on a few weeks later. The dreadful thing is that, where the compensatory payment to the United Kingdom is concerned, Mr Tugendhat has always erred in Britain's favour . . .

(*Applause*)

. . . and where agriculture is concerned, he has always erred to the disadvantage of the farmers. I do not think this is a procedure that the House can approve. It should also be noted that agriculture's share of the total budget has become progressively smaller since 1979, and last year there was even a decrease in real terms. That is something else that should not be forgotten during this debate on prices.

To the members of the Socialist Group I must say that the problem of the surpluses and particularly the growth of the surpluses prey on our minds too. But what the Commission has proposed in recent years has been a zig-zag course and a department store catalogue. If I may remind you, the super-levy was proposed for two consecutive years. The result was that the farmers produced more to ensure their initial quota was higher by the time the super-levy was introduced. In 1981 we had a proposal for an area-limiting levy, but it was suddenly withdrawn again. Then it was thought we should do something about the co-responsibility levy: on one occasion an increase was proposed, on another a reduction. This year we have a proposal for a distinction between the target and intervention prices. These proposals bear witness not to a unified concept of how the problem of the surpluses can be tackled but to a shot-in-the-dark approach.

I therefore believe the attempt must now be made to stick to one line. Unlike what others may think, I feel that the co-responsibility levy, that is to say, a consist-

Bocklet

ent coresponsibility levy which is socially graduated in accordance with certain criteria, would certainly be a reasonable solution. Hence my group's proposal that the standard-rate co-responsibility levy should be raised from 2 to 2.5% and to 3% where production exceeds 200 000 kg.

We are in favour of an active price policy, because it is the only way to help the farmers. We are also in favour of curbing the growth of surpluses by imposing a higher coresponsibility levy. I ask the House to support this line. It is a concept which can really take the strain and one that will also have an effect in the future.

(Applause)

Mr Purvis (ED). — On a point of order, Mr President, I wonder if I could just, as a point of information, put a very simple question to the Commission. I just want to ask what would be the effect on world grain prices if the Americans stopped subsidizing their farmers.

President. — That is not a point of order; it is a question to the Commission.

Mr Møller (ED). — (DA) Mr President, I did not quite understand what that had to do with procedure, but you evidently didn't either. I am glad that it did not take a very long time and that it did not require an answer from Commissioner Dalsager now, because otherwise we might not have got started on what we are actually here to discuss today — agriculture in Europe, not the USA.

This year is one which in Parliament we have named the year of the small and medium-sized undertaking. We might well say that, of all forms of business in Europe, agriculture is the most typical area of activity for the small and medium-sized undertaking. Of all proprietors of businesses in Europe the selfemployed farmers are by far the most numerous. We should therefore reflect that it would be a little odd if we were to start this year by cutting back on the Community's assistance and support to agriculture. Community policy which is concerned with agriculture of course has many weaknesses. We are all familiar with the production of surpluses and many other things, but we must not forget that the prime intention of the policy is to ensure stability in the production and sale of farm produce, and that success has been achieved in securing stability of production and sales for these many small and medium-sized undertakings. In this way we have also ensured that our farmers did not become a *lumpen proletariat* but, when I hear the themes intoned by the Socialists here today, I get the impression that they would really like to see our farmers turned into the new *lumpen proletariat* of Europe. I do not think that the intention was only to secure stable sales but

also to secure for the people of Europe in both town and country supplies of food sufficiently abundant to meet the nutritional needs of the population, and this has been achieved. We should be grateful for all that, and we should remember that it was itself a success which formed the basis for the European Community as a whole.

1982 was a good year for European agriculture. This was due more to the weather gods than to the solution of specific Community problems. We cannot be sure that the weather gods will continue to be favourably disposed towards us, and we must therefore frame our policy in such a way that agriculture can also exist under less favourable weather conditions. I must say here that there is a lot of talk about prices and how good they have been for the farmers and so forth, but has any thought been given to the high interests which the farmers have to pay and which have been a burden on the European and world economies in recent years? Agriculture must be the most capital-intensive occupation there is, for a modern farm cannot be operated by the methods of the past, when all that was needed was a cowshed and a barn, where no mechanical power or tractors, or this or that item of capital equipment were required. High interest rates have thus done much to weaken the farm economy. It is not only a question of prices but also a question of costs, and that is where we come up against high interest rates. Thus it is clear to me that we must aim at an economic policy designed to get us back to normal interest levels rather than one concerned specifically with prices.

I feel I must say to Mrs Hopper that both town and country, producer and consumer, have a stake in ensuring that agriculture can do its job and has reasonable and good conditions under which to do it. For a start, there are countless urban businesses — and that is obviously being completely ignored — which live from supplying to the farming industry. Countless engineering workshops and production plants around Europe depend on agriculture, firms not just in industry but also in shipping, so the consumers should not think that a good price for the farmers is something which is forfeited by them. On the contrary, it is something which will create jobs in the firms and businesses of the towns themselves, in shipping and trade, and in all branches of industry.

I think therefore that the most important thing for us is to encourage investment and hence stimulate dynamism in our farming enterprises, to enable them to become net exporters and exploit the markets of third countries in a way they have never done before. I should like for the sixth or seventh time to draw the attention of the Commission, for example, to the Swedish ban on the import of Danish meat on veterinary grounds, as they put it, but which in reality is nothing more than protectionism. Obviously we cannot say to the farmers that they have to increase their exports, if the countries which we want to buy their products ban imports of those products.

Møller

I will say that I can support this report. If Mr Kirk had been here today, he would have had something to say on intervention prices. Unfortunately he cannot do so, because he has to appear before an English court. As you know, Mr President, he has become involved in an affair which he hopes to bring before the Court of Justice of the Community. That is why I have made these remarks on agriculture and I hope that the year of the small and medium-sized undertaking will, amongst other things, witness that we give good conditions to our farmers around Europe.

IN THE CHAIR: MR LALOR*Vice-President*

Mr Adamou (COM). — (GR) Mr President, the efforts of the monopolies, which shape and direct Community policy, to extort greater profits from the workers by intensification of the workload and the freezing of incomes has led to the present crisis of over-production and under-consumption. The consequences are familiar. Unemployment has assumed terrifying proportions, inflation is rampant, the cost of living has reached unprecedented heights and workers' incomes have plummeted. The crisis in the particularly sensitive sector of agriculture is taking the shape of a true catastrophe, and it is natural that the consequences of this crisis should bear more heavily on small and medium size farmers, especially on those of the south. The Community's henchmen do not miss a chance to hymn the praises of the common agricultural policy, and to claim that this policy has allegedly justified the creation of the EEC. Yet the CAP is flagrantly bankrupt. According to COPA data the real incomes of farmers in the Community have fallen by 19% over the last ten years. Of course, this drop is greatest, over 22% that is, in Italy, Greece and Ireland which have higher percentage inflation. Thus agriculture in general, and specifically agriculture in the countries of the south, is the sector most affected by inflation. As a result of this drop in incomes the farming population is diminishing at an ever increasing rate, and the Community's growing army of unemployed is approaching 15 millions. In Italy, for example, the farming population fell by 9.9% in 1982, and in Greece whole mountain farming areas are being deserted. And it is certain, with the 5.5% increase in farm prices being proposed by the Commission, or even with the minimum increase of 7% proposed in the report by Mr Mouchel that we are currently debating, that poverty will uproot farming populations from the lands they work.

Mr President, in the two years it has been a member, Greece has become the most disadvantaged partner in the Community. On the basis of the real figures the

incomes of Greek farmers have fallen by over 12%, and it is characteristic that for the first time Greece's trading balance in agricultural products with the countries of the EEC has gone into deficit. In 1981 this deficit amounted to 10 850 000 000 drachmas, and in 1982 it was roughly of the same order. Yet in the three years prior to accession Greece had an overall surplus in trade in agricultural products of more than 25 billion drachmas. The following figures illustrate very clearly just how important the agricultural sector is to Greece. Agriculture accounts for 20% of the gross national product, compared to 5% in the Community as a whole. It employs 29% of the economically active population, compared to 8.7% in the Community as a whole. High inflation, mounting production costs due to the increased prices of production aids — fertilizers, farm chemicals, machinery, fuel, etc. — the small size of holdings, deficiencies in infrastructure, low productivity, ferocious exploitation by exporters and the monopolies, ruinous competition from the compulsory importation of products that Greece itself produces, obstacles to the export of Greek products to third countries, compensation levies and fines for over-production, the dumping of hundreds of thousands of tonnes of fruit and vegetables — all of these are leading to the ruination of the Greek farming community and are preventing any possibility of growth in the Greek agricultural economy.

Mr President, Greek farmers are up in arms about the Commission's proposals and related measures, and it seems, from yesterday's speech by Mr Dalsager, that the Commission is obdurately sticking to its proposals. In a resolution passed by the General Assembly of the General Confederation of Greek Agricultural Associations on 1 March Greek farmers demanded price security for all agricultural products on the basis of production costs — which in Greece are three times those in the other Community countries — and a reasonable living income so that they can remain on their land. They also demanded adequate low-interest loans, subsidies and income support measures for small farmers, preferential aid for cooperatives through low-interest loans, higher export subsidies and scientific and technical help with the production, mustering, processing, movement and marketing of agricultural products. Expansion of marketing arrangements with the socialist and non-aligned countries through long-term bilateral agreements. Prohibition of imports of agricultural products in which Greece is self-sufficient. Adequate incentives for the extension, modernization and development of good, productive land, and other similar measures. Will these things ever be written into the EEC's treaties of accession? No. We know that the supremacy of large-scale capitalist agriculture in the northern countries, as well as in the south, is increasing day by day, and that small, impoverished and backward farm holdings, such as those in Greece, are in decline and being destroyed through lack of technological development. So the only salvation for Greek farmers, as the two-year experience of Community membership shows, lies in the implementation

Adamou

of a national agricultural policy. Because it is dangerously naive of us to believe that the monopolies will accept a reduction in their profits to help the backward Greek economy.

Mr Maher (L). — Mr President, I think we ought to recognize that when we are discussing the question of farm prices, we are not talking about what the farmer gets. It is important to recognize that, because the farmer does not get this full increase. He is upstream of many other people concerned in agriculture and because we are not setting farmgate prices he probably gets sometimes one-quarter, sometimes one-half of what we are talking about, if he is lucky. I think it is important to understand that.

My second point is that we do not have common prices, because their effect in different countries is quite different. We do not have common prices because the Community has failed to take the logical step of unifying our monetary system, and so we have different inflation rates. Therefore we do not have common prices. I think it is very important to remember that.

My third point is that if the prices set by the European Community are far too low, it is inevitable that national aids will grow more rapidly — and we have national aids as it is. That is why the proposal of the Socialists is so totally ridiculous and illogical. Can you imagine, if there was a zero-price increase, what would happen in France for instance? Would the French Government tolerate that — and the French Government is a Socialist government — would they be prepared to accept a zero-price increase? Would they not compensate their own farmers from the coffers of the French Treasury? Of course they would! They have been doing it up to now. This is one of the problems of the CAP: that it is not a common policy, and national aids are being applied country by country. In fact, the Commission has not succeeded in producing a policy to solve that problem.

My fourth point is that we should look at the question of industrial farms. We never have done so, and I would like to direct a question to the Commission: what is the contribution being made to the production and to the surpluses of industrial farms? I am not talking about family farms: I am talking about farms that are owned by corporations, by corporate bodies of various kinds. Many of them exist, some of them very large. Some, I know have 3 000 cows producing great quantities of milk, and it seems to me illogical that the large quantities of milk coming from these cows should be supported at the same level as that coming from a herd of 10 or 15 cows. I should like to know what contribution these industrial-type farms are making to the surplus. It is the family-type farms in Europe that need to be supported, because they are part of the fabric of rural life and, indeed, support the towns and villages existing in our rural areas. Could we direct

aids from the taxpayers' money towards the family farms and so ensure that we are not wasting scarce resources?

Mr President, my final point is this. If in the last analysis the price-increase is set at 7% that is not going to meet the problems of Ireland. The inflation rate in Ireland is double the 7% and more. So what do we do? In my country now, the borders are completely open to the importation of industrial goods from strong industrial countries such as Britain. Our industries are being devastated and our agriculture is going downhill at the same time. We are heading for disaster unless something special can be done about our country.

Mr Flanagan (DEP). — Mr President, I think the case has now been very well made on behalf of my country, Ireland. In his speech just now, Mr Maher asked a very important question: what, if any, examination has been made by the Commission of the operations of the industrial farm as against the family farm?

I would like to bring the Commission back to a submission made by the North Connaught farmers to the present Commissioner's predecessor, Mr Finn Gundelach, some three years ago. Mr Gundelach came to Ireland. He saw, and he was satisfied that conditions in the area about which the North Connaught farmers made their submission justified the case they had put. Now that, unfortunately, Mr Gundelach is no longer with us, I wonder if I could invite Mr Dalsager, as his successor, to make that journey too. I am sure he knows already what the industrial producer of milk, what those factories can do. Would he come to the North-West of Ireland to look at the situation on the ground? I can assure him that he will then be satisfied that the case made to his predecessor is as justified now as it was then.

I would remind this House that it is only 100 years since the first stuttering beginnings of agrarian reform started in the West of Ireland, that only three generations ago those who had survived despoliation, famine and eviction were still mere tenant farmers on the land, the pawns of mainly absentee British landlords. May I remind Mr Tugendhat, who has great facility with global figures relating to agriculture, of the distinction that exists today between the small family farmer of the West of Ireland, still being squeezed off the land, and his rich counterpart in Britain or elsewhere? Perhaps Mr Tugendhat was born a few generations too late, because he would have made a very suitable absentee landlord. And perhaps Mr Hord would have made an excellent Charles Strickland around our area collecting on Mr Tugendhat's behalf. Young people are still being forced off the land in my poor part of the country, and the point has been made and so often repeated that every single one of those who leave the land goes to join a dole queue, never returns to farming and costs the State more on the

Flanagan

dole queue than it would ever cost to keep him and his family on their small farms.

It is a long time ago since Goldsmith said 'a bold peasantry, a country's pride, when once destroyed can never be supplied'. Maybe, Mr Dalsager, you would pay that visit to the West, North-West and South-West of Ireland. Maybe you would follow in the footsteps of Mr Gundelach. I assure you that you will be satisfied that the case made here on behalf of the small family unit in Ireland is as valid today as it was two or three years ago. You will also find that the submissions made from all sides of this House from the Irish Members of all parties will stand up to examination.

Mr Thareau (S). — (FR) Mr President, the farmers are the only people in the EEC whose incomes are directly affected by European decisions. This is sufficient to explain the importance of the debates which take place each year.

The year 1983 would appear to involve greater difficulties, for conditions on the world market are in no way determined by production costs in other countries, costs forced down by the United States, which wants to increase its hegemony in the marketing of food products through the practice of dumping.

Within the Community, certain products are enjoying considerable growth, it is true. All these factors call for specific and vigorous decisions. Problems do indeed exist, but we cannot penalize the farmers as if they were the cause of these problems still less can we penalize them on a uniform basis. Let us bear in mind that farm incomes have been falling in my country for eight consecutive years, and for shorter periods of time in other countries. Last year there was an improvement in this trend throughout the Community. Certain of our colleagues became agitated over this, as if the farmers had received too much, while the fact is that farm incomes still lag behind.

The disparities between countries are growing due to monetary imbalances and to the distortions they produce on the market. The Commission, in its price proposals, does not permit the restoration of the free circulation of goods, since the positive MCAs can only be abolished if German and Dutch farmers maintain their incomes in stable francs. This presupposes an increase of 8%-or 7% minimum-in ECUs in order to be able to negotiate and eventually to dismantle the system. In doing this, however, many fear to contribute towards higher inflation. Let us remember that the farm-gate product represents 10% to 30% of the product as it is purchased by the consumer. Mr Maher has already mentioned that one maintenance price point on the European level represents 0.05% of the price index.

It is true that the fixed prices contribute towards the orientation and growth of production, but when prices

fall, farmers are forced to produce more in order to maintain their incomes. How can we make all farmers assume responsibility and pay the levies if we continue to refuse to limit imports or to tax them at a rate at least equal to that applied to Community products? For these reasons, we will support the Committee on Agriculture and its rapporteur and vote against an across the board reduction of intervention prices for all products. These reductions would already have serious consequences on incomes, and the new principles they introduce into the CAP make them even more unacceptable.

The Commission has indeed proposed a sum of 120 million ECUs to compensate for the losses of small-scale producers, but let us look at the figures. In the Community, 1 350 000 producers have fewer than 20 cows; if we take the example of a farmer who has 20 cows producing 4 500 kilos of milk, the 20% reduction in the maintenance price leaves him with a 482.58 ECU loss. By doing a little simple arithmetic, we can see that he would be entitled to receive the sum of 88 ECUs. In other words the premium, which is more like charity than remuneration for labour, would compensate for only a third or a fifth — according to the situation of the farmer concerned — of what was not absorbed by the market.

Mr Dalsager was reminding us a moment ago of his desire to move towards a healthy CAP. No member of parliament would dispute this goal, but in that case we must react with determination when the Americans knock the bottom out of the markets; we must not import so much when we can produce domestically; we must abolish the MCAs, which are very costly for the EAGGF; we must stop encouraging certain producers, who could very well convert and diversify — the Northern areas where milk production was already the most highly developed have been the ones to experience the most growth, and it is they which are the most costly. I am right next to one of these zones, and I am therefore closely concerned.

Differentiated measures applicable both to taxation and to producer aid are a solution which would encourage the largest producers to convert to products in deficit. The application of these measures would become quite possible once all the producers concerned were subject to the VAT. Four or five speakers from different groups have already stressed this point. We saw a ray of hope a moment ago when Mr Ertl indicated that the co-responsibility levy might become graduated. But does the Commission really want to study this measure, and, more important, does it really want to implement it? The EAGGF budget — we are convinced of this — would then be reduced.

We will fight against all unfair measures. All more equitable measures will become applicable. This is why we mean to encourage a better balance in domestic production and reduce disparities in farm income. With this conviction, the French socialists will vote in

Thareau

favour of the Mouchel report, while presenting amendments to it.

Sir Fred Warner (ED). — Mr President, as one of the few non-Irish to intervene in this debate, I would like to congratulate Vice-President Tugendhat on his excellent contribution. I think it is one of the best I have ever heard from the Commission in an agriculture debate. I just have one small request for him: could he be so kind as to make a small fund available to send Mrs Castle to agricultural college for some badly needed training in this subject?

Mr President, this is a wide-ranging debate, but someone has to speak about details and there are two very detailed matters on which I would like to comment. The first of these concerns the sheepmeat régime, which is dealt with in paragraphs 41-44 of our draft resolution. I have no doubt we are all in agreement that this régime has proved to be a blessing to sheep-farmers throughout the Community. It has also been of advantage to the consumer. Indeed, one of its unexpected side effects has been its occasional undercutting of the trade in pigmeat, leading to bitter, and by no means unjustified, complaints from pig-farmers that they are the victims of discrimination. The cost of the scheme has also been higher than foreseen at the time of its introduction, but the major criticism of the régime has been levelled at the clawback system. I do not know who first invented the term 'clawback' for this particular mechanism, but does it not have a sound of rapacity and ruthlessness about it? Certainly the *abattoir* companies have found that it does have these characteristics.

The problem arises from the very different costs of production of sheepmeat in different parts of the Community. Just as with milk, we have high-input areas of production and low-input areas of production. It is noticeable that while the draft resolution we are discussing seeks to penalize high-input milk production, it has nothing whatever to say about high-input sheep production. Why is this, I wonder? Does the Committee on Agriculture really feel, to use an English expression unrelated to farming, that what is sauce for the goose is *not* sauce for the gander?

Furthermore, although the draft resolution in paragraph 42 calls for a review of the clawback mechanism, there is nothing in the accompanying statement by the rapporteur to show what the committee did have in mind. If we are going to review this system, we should really have clear ends in view. I suggest these might be (1) to extend the popularity of sheepmeat throughout the Community and at all levels of Community consumer purchasing power; (2) to do so on the basis of free consumer choice and taste, rather than by artificially undercutting other types of meat; and (3) to relate the system to a fair return to both farmer and processor so that it does not act as an impediment to free and fair trade throughout the Community.

It is this last aspect which is so important. The clawback at present acts to prevent the free movement of sheepmeat from low-cost areas to high-cost areas, which is surely a complete denial of the principles of the CAP. We should free ourselves of this rigidity. The clawback system, if it is to be maintained at all, should be only a discretionary weapon to iron out irregular pressures on the market.

My second point concerns the co-responsibility levy for milk. This has proved an even more inept tool for the dairy industry than the clawback has for the sheepmeat industry. The attempt to use it as a curb on production has been a total failure.

Everyone knows that it has encouraged higher production to make up the cost to the farmer. Indeed, our Committee on Agriculture would appear long ago to have abandoned any idea that it could be used as an overall regulator of output. Instead, co-responsibility for milk constantly crops up in resolutions and speeches as a discriminatory measure to favour whatever section or region is represented by the person who happens to be writing or speaking at the time. It is invoked only to help certain interests to escape the disciplines to which we all want to see attention given.

Why do we not face up to the fact that the measure has proved to be a total failure and injurious to producer and consumer alike? The President-in-Office said in his distinguished speech earlier this morning that he could not go into this matter in depth. That was understandable in the time available, but I hope that Council and Commission will soon institute an exhaustive re-examination with the aim of getting rid of this cumbersome, expensive, ineffective and inequitably applied tax and that they will replace it with a small sales-promotion and product-research levy which does exactly what it says it is going to do.

(Applause)

Mr Maffre-Baugé (COM). — (FR) Mr President, before going to the heart of the matter that I have just four minutes to discuss, I should like to say that I deplore Mrs Castle's remarks. They are more than a misunderstanding of the problem. They reflect a contempt for peasant labour and all it produces for Europe. I cannot believe that she is expressing the ideas of her party, the Labour Party, which is the party of the workers. I suggest that she spend her next holiday on a peasant farm in our country. Perhaps between two cups of tea she will find out the meaning of a hard day's work. Then she really will be part of the Labour Party.

Having said that, Mr President, I should now like to point out that the producers in our Mediterranean regions are following the agricultural-price debate with a great deal of interest. The experience of 1982 proved that the decisions of this House weigh heavy in

Maffre-Baugé

the balance and both the Commission and the Council have to take them into account. The hierarchy of prices obtained last year was more favourable for Mediterranean produce. It has been taken over again this year and I am very pleased about it. Not that I am against the producers of milk and cereals, but I think it is high time we rebalanced the EAGGF and ironed out the worsening inequalities between the regions, the products and the farms after 20 years of common market.

But is this first step adequate? It is still far too small a step in our eyes, particularly when it comes to the Community regulations for wine, fruit and vegetables.

Taking up the wine-growers' struggle in the Community institutions, we managed to get a certain — and I say certain in inverted commas here — improvement to the regulation in 1982 with special distillations at what is, for the moment, a theoretical minimum price. I am also pleased to see the wine-growing year has been brought forward to 1 September, as we have been asking for years. But these improvements have not proved adequate and the wine-growers in southern France are having very great difficulties at the moment. They are not doing much business and prices are very low. The imports of Italian wine are continuing, but, unlike previous years, a high percentage of it is low in alcohol content — and it is certain people in the import-export trade and not the Italian peasants who are getting the benefit of this.

As I feared from the start, preventive distillation has proved ineffectual in my country because the price is not attractive enough. It has not rationalized the market by removing the poorer quality wines. Once again, the wine-growers in my region, who have restructured their vineyards and improved their produce, have not been rewarded for their efforts. So it is understandable that their disappointment sometimes turns to anger.

The introduction of special distillation that we have just managed to obtain should breathe fresh life into the sector, but it will be short-lived because of big business. The only thing to be done is to take another look at the wine regulation and make further improvements. Here are one or two priorities — increase the price of preventive distillation to make it more attractive, raise the minimum guaranteed price from 82% to 88% of the guidance price and the volume for special distillation to beyond the 5 million hectolitre mark. I am not contenting myself with a speech to Parliament to achieve all this. I am fighting in my region and I shall soon be extending the campaign to the Community by heading a delegation of elected representatives and leaders from the wine-growing industry to the Commission and the Council.

The situation in the fruit and vegetable sector is even worse. Since the House voted on my report in June 1982, discussion has been dragging on in the Council. Some people want to see one or two improvements to

the regulations without spending any money and others are refusing to do either. Poor old Europe, where egoism is rife. The Commission is being unparadoxically passive by restricting itself to the initial proposals that we on the Committee on Agriculture found to be highly inadequate. The fruit and vegetable producers expect more from Europe than polite chatter or sordid horse-trading. They want a new regulation that guarantees them a better income and greater protection against excessive imports — and that takes account of a policy of quality, of course.

The Commissioners and the ministers must dust off their regulations and breathe some life into their dossiers.

Mrs S. Martin (L). — (FR) Mr President, ladies and gentlemen, the agricultural-price debate, it has to be admitted, is looking like it does every year — a settling of accounts between the defenders and the detractors of the CAP.

Mr Commissioner, how many more farmers do you want to see go out of business? Aren't there enough unemployed in Europe already? I am one of those who will always ardently defend the CAP. Because if we withdraw it, even if we do no more than attack it, we shall be attacking the construction of Europe itself — and I am weak enough to believe in Europe. Because, over the past few years, agriculture has made a large contribution to the balance of payments in our various countries. Because a substantial part of our economies that we are not entitled to overlook depends on agriculture.

But we are used to fighting the Commission's unrealistic proposals. Just imagine for one moment where we would be if we had adopted Mr Mansholt's proposals. Behind agriculture, there are people and there are families and they depend on our decisions. Have we the right to think or say, as I have heard some officials do, that we could well lower prices this year as incomes went up in 1982, forgetting — maybe deliberately, maybe not — that this was only because of the climatic conditions and that in real terms agricultural incomes are, as things stand, 21% lower on average than they were in 1973-1975, while over the same period, the purchasing power of those working in other sectors went up by 16%? I dare not imagine what these differences would be or how many farmers would be bankrupt today if the Council had followed the Commission all these years.

This is why we shall vote for the 7% agricultural-price increase. This increase is not in contradiction with the interests of the consumers or with the anti-inflationist policies in our countries, because it will only lead to a 2.2% average increase in retail prices, a 0.4% increase in the cost of living. This increase has to go with a complete dismantling of the negative compensatory amounts and a large reduction in the positive

Martin

compensatory amounts. We shall reject the Commission's proposals aimed at extending coresponsibility to other sectors of production. And above all, we shall reject the reduction in the intervention prices of certain dairy products — that were said to be 2.2% yesterday and are now announced as 3% today — as this would lead to the milk producers being penalized twice and the increase in their incomes being reduced to nothing. This is particularly unacceptable as almost 86% of them are small farmers who work hard to earn what is often a poor living. Does the Commission feel that the aim of the CAP is to lead them to ruin at a time when there are no alternative possibilities of employment?

But above all, the Commission has to stop its short-term policy. It has to stop making believe — as my colleague Mr Nielsen explained very clearly just now — that savings in agriculture are the only things that will enable us to implement other Community policies. It has to provide for the future. It has to resist American pressure and it has to introduce a proper export policy!

Neither agriculture nor Europe have anything to gain from a recession and thousands of jobs are at stake.

Mr Ansquer (DEP). — (FR) Mr President, Ladies and Gentlemen, there can be no doubt that the fixing of farm prices is a decisive element of the common agricultural policy. It is even the central point of discussions between the Commission, the Council and the European Parliament. And, I would add, between the European institutions and the professional organizations, which should not be overlooked in this discussion, far from it.

The fixing of farm prices is also, in fact, the determination of the income of millions of men and women and this incomes policy conditions the future of peasant families, their education and the future of their children. Agriculture is also the first activity of the Community, the sector that should make Europe the biggest agricultural power in the world. This situation and the fixing of prices have direct and considerable effects both on the dynamism of the farmers and on the level of production and, therefore, on the GDP of the Community and, lastly, on the exports of the agricultural food products that are so important when it comes to balancing our payments, as Mrs Martin has so rightly pointed out.

So we will not have the defenders of the farmers on one side and the defenders of the consumers on the other in a sterile debate. Their interests are closely connected. The farmers are not the cause of inflation. They often suffer from it more than other categories, particularly since agriculture is monolithic. It has a thousand faces. Examine the trend in incomes for each major product or size of undertaking and you will see very different figures reflecting what are often as

many inequalities. In France, for example, in 1982 the results for 27% of farmers were positive and for 73% negative. So you can see the differences in situation. And only 15% of farmers saw their incomes improve over 1981. So there is a first conclusion to be drawn — correct inequality via the Community budget and support, as a matter of priority, the family smallholdings that have the advantage of flexibility, responsibility and productivity.

The common agricultural policy also has a direct influence on the development policy of the European Economic Community and on food aid in particular. As the needs expressed across the world are immense, we have to boost our development policy by any suitable means. And we also have to support and encourage the research into food and agriculture that will bring about considerable change over the coming decade.

But farm-price fixing is not the only element of the common agricultural policy. We have to organize our policies in our different countries and, in particular, we have to encourage farmers to modernize and make sure the next generation takes over, in particular by encouraging young people to set up. It is perhaps reasonable to ask whether we have played our part properly, particularly when it comes to problems of land ownership, issues that we are not managing to solve properly. And similarly, we have to encourage training and, therefore, to harmonize our policies.

Lastly, the structural policy has to be strenuously pursued, particularly with a view to rationalizing our land where need be, irrigating where need be and, therefore, studying water development plans for our different river basins.

The task before us is considerable. And I believe that this agricultural price fixing debate is a good opportunity to tell all those around us, the farmers first and foremost and the citizens of the Community as well, that we are not ashamed of European agriculture and that, on the contrary, it is a factor of dynamism and hope for all Europeans.

Mr Vgenopoulos (S). — (GR) Mr President, I will begin my intervention by reminding Members of the three basic principles of the common agricultural policy, and on which I think we should lay emphasis in every debate about agricultural products, namely — the unity of the market, Community preference and financial solidarity. For Mediterranean products, which are the most unfairly treated from the point of view of support and safeguards in the framework of the common agricultural policy, the principle of Community preference is of great importance. I refer you to the fact that for 1983 75% of expenditure by the EAGGF guarantee section is earmarked for northern products and only 22.5% for Mediterranean products. Every kind of tariff or other concession on the import of agricultural products from third countries

Vgenopoulos

derogates the principle of Community preference on the one hand, and on the other makes expenditure on the common agricultural policy appear inflated, while at the same time the corresponding income is lost. Thus we Greeks understand how it is that products of ours such as oranges and raisins encounter placement difficulties in the Community market, even though the Community has a shortfall in these products. I had hoped, however, that the aggressive policy being pursued by the United States in international markets to the detriment of the Community, and in particular in Egypt recently, would have taught us the appropriate lesson. Unfortunately, judging by the rejection at yesterday's plenary sitting of the request for a debate on this matter, it seems that we have not come to our senses.

Mr President, the Commission has told us that agricultural incomes rose last year. We see, however, that whereas in Denmark this increase was 24%, in Ireland it was only 0.5% and in Greece 2.5%. What sort of justice can the present common agricultural policy possibly render when there are such great disparities in the benefits it confers? And here I must say that Greek farming incomes are only 45 to 50% of the Community average. Since among the Member States there are great differences in the principal economic indicators, since there are developed areas and undeveloped areas, large holdings and small holdings, and that as a consequence of these factors production costs vary from country to country, I believe that prices should be differentiated and not uniform. Measures taken in framing price increases should be more selective and not structured horizontally as at present. This selectivity should take the following forms:

The fixing of higher than average prices and support levels for the products of less-favoured areas where farming incomes are low and the agricultural structure is weak, and likewise for countries with high inflation rates.

Support for certain categories of expenditure designed to reduce production costs; support aimed at improving the functioning of the market so that agricultural products can be made available to the consumer at fair and sensible prices; direct support for the incomes of small producers and subsidization of short-term loans; differentiation of the co-responsibility measures so that small and large producers are not indiscriminately penalized to the same extent.

Such a framework of special measures would, in my opinion, provide the most amenable solution because they would tackle the problem of low incomes on small farm holdings without interfering with the direction of production, farmers' organizations and competition. They would also be in total conformity with the Treaty of Rome which envisages a just level of income for all producers.

It is a fact that the Mouchel report draws attention to the problems I have mentioned, and to a large extent

embraces the views held by the Greek side, particularly on the dismantling and abolition of positive and negative MCAs, on support for oils and fats produced in the Community against imported products, and on the more efficient application of the principle of Community preference with regard to Mediterranean products. It also seeks the inclusion in the common market organization of products which are currently unprotected, measures of a structural nature in support of the agricultural economies of under-developed areas, and measures of an extraordinary and transitional character to help countries with high inflation.

The Greek Socialists will support the Mouchel report, Mr President, if it remains intact on the points I have just mentioned.

Mr Diana (PPE). — *(IT)* Mr President, ladies and gentlemen, it seems to me that, at this point in the debate, that which is essential has already been said, and it is not worth the trouble of repeating it. Above all, the time allocated for individual members' speeches does not allow anyone to touch on the whole spectrum of the agricultural prices problem.

I should like therefore simply to dwell on two particular, but not secondary, aspects of the report presented by Mr Mouchel on behalf of the Committee on Agriculture. The first concerns the principles underlying the fixing of agricultural prices, as referred to in paragraph 6. Various speakers have in fact referred to the first part of that paragraph, namely the average level of increase in agricultural prices — saying that they consider it too much, or still too little. No one, on the other hand, has referred to the second part of that paragraph regarding the principles that should guide the Council, the Commission and also this Parliament, where the fixing of agricultural prices is concerned. I refer in particular to the invitation to regulate the increase in prices according to whether the production of certain products is excessive or insufficient — true, the Commission has made an effort along these lines, but there still seems to us too much of a gap between the prices of products in surplus and those that are under-produced — and to create a system that will discourage constant recourse to national aid, to reduce the regional imbalance that exists and, finally, to protect the incomes of agricultural producers, so as to ensure that there is greater equilibrium between the income of the farmers and that of the other sectors of production.

This strict link between agricultural prices and farmers' income is the very foundation of the common agricultural policy. Ignoring this close link means ignoring the content of Article 39 of the Treaty of Rome. Paragraph 11 in particular of the Mouchel report examines the impact of agricultural prices on the income of farmers in the different member countries, taking also into account the effect of the differences in the rate of inflation that exist between them.

Diana

It is a serious problem, and pretending not to know of its existence, behaving like ostriches, will certainly not help to solve it. Commissioner Dalsager repeated yesterday what he has already stated on other occasions, namely that the trend in regard to agricultural incomes over the last year has been entirely favourable. That is not so in reality. If we consider the figures supplied by the Commission itself, we see that that average increase of 9% represents in reality the average between an increase of 24% in Denmark and 1.4% in Italy. Now, neither the Member States — Mr Commissioner — nor the farmers live on averages. We must take this fact into consideration, because this divergence, growing greater every year, is pushing us further and further away from the goal of convergence that is our final aim in the building of Europe. Nor is the problem even a new one. In reality, if we take the figures and data provided by the Commission and look at the trend of agricultural incomes prior to 1979 — prior, that is, to the start of the European Monetary System — and after that date, we can see a deep reversal of the trend: before the EMS, countries were freer to manoeuvre with their green currencies, independently of the actual devaluation of their national currency, and were able, in fact, to maintain agricultural incomes in countries with a high rate of inflation, as your data shows. Since 1979 this has no longer been possible, or it has only been possible to a very limited degree so that, if we divide the countries up in relation to how their rate of inflation compares with the average for the European Community, we see that five Member States that belong to the EMS have a lower inflation rate than that of the Community. In these five countries agricultural incomes over the last three years have increased in absolute terms. Three countries, however, have had a rate of inflation above the European average: and in these three countries agricultural incomes have fallen over the three years in question. Finally, there are two countries that are outside the European Monetary System, and these countries, precisely because they have been able to manoeuvre with their green currencies more freely, have been able to show an increase in agricultural incomes, even though their rate of inflation is higher than the Community average.

It is therefore obvious that there is a very close link between the European Monetary System and the agricultural incomes trend. Of course, the EMS is not responsible for this situation. It is the divergent economic policies in the various Member States that are responsible, and we shall probably reach a solution by taking action at the second stage of the European Monetary System, on the one hand and, on the other, by bringing pressure to bear on the various Member States to make them adopt macro-economic policies capable of keeping inflation under control. These are obviously not problems that can be solved in the immediate future. They are structural problems, that should be dealt with in the medium term by structural measures. The integrated plans for the Mediterranean certainly fit into this framework, but they are still far from cap-

able of being implemented. The Commission has approved them, today they must be sifted by Parliament, and tomorrow they have to go to the Council. In the meantime, we cannot allow the agricultural industry in those countries with a higher rate of inflation to be obliged to bear a cost that, today, falls on farmers in particular simply because this is the only sector in which prices are fixed in Brussels by reference to the average rate of inflation of the EEC, whilst production costs are determined by the level of inflation in the individual Member States.

That is why, as paragraph 11 of the Mouchel report clearly states, we ask for special measures, which might take the form of an interest rebate on agricultural loans.

(The President asks the Speaker to conclude his speech). I will conclude, Mr President, Mr Commissioner, ladies and gentlemen, by emphasizing that this seems to me the key problem underlying the matter that we are discussing: if we do not come up with reasonable solutions in the not too distant future then probably the entire prices policy, and possibly the European Monetary System itself, will suffer in consequence.

Mr Battersby (ED). — Mr President, I would like to refer to the cost of animal feed to the beef, pig and poultry producer which has been alluded to by many Members.

It cannot be right that we import large quantities of manioc and other cereal substitutes from the ends of the earth while subsidizing at taxpayers' expense the export of large surpluses in equivalent cereals, whatever the political reasons. The Commission must intensify its examination of mechanisms for ensuring that surplus cereals be offered initially to our own producers in such a way that the input costs to the beef, pig and poultry producers can be reduced by using Community-produced cereals to at least the same cost level as that obtained under the present feed composition practice.

Of course we have got to export — we are one of the world's major world traders — but not to the disadvantage of our own producers and consumers. A point we tend to forget is that we are self-sufficient in most areas and we owe our farming community a great debt for this. It is the control and limitation of surpluses and their disposal that we should be worrying about and not the existence of surpluses. We must encourage our farmers to continue to provide us with self-sufficiency in as many sectors as possible. I personally deplore the statement in the report under point 45 on milk and dairy products where a supplementary levy is demanded in order, and I quote here 'to penalize production independent of land which is considered partly responsible for over-production'. What is responsible for the recurring surplus problem is the

Battersby

open-ended guarantee system which benefits some interests more than others. This should be put right instead of tinkering with the problem and selecting a small sector as the ritual scapegoat. Also, let us bring some business sense and control into our surplus export policies.

We must also take a much more responsible and vigilant attitude in controlling and preventing agricultural fraud and irregularity and in recovering misappropriated funds. Every million ECU, every 10 million ECU, every 100 million ECU of taxpayers' money saved in this is a million more, 10 million more, 100 million more for the budget. Let us mend the holes in our own pockets before we talk of increasing the ceiling. If we increase the ceiling, which I consider would be lunacy at this time, who will call the tune and who will pay the piper?

Finally, Mr President, on the percentage increase. Our resources are finite. We cannot take all the money we want, all the money we think is necessary. We are limited in the amount of money we have, and I believe we must be moderate and reasonable in our demands whilst supporting and encouraging a healthy, efficient, progressive and profitable agricultural sector. I believe that the level proposed by the Commission is well-considered and will achieve the objectives we are all seeking. I believe we should support the Commission in this matter.

Mr Goerens (L). — (FR) Mr President, ladies and gentlemen, I should like to start by offering my very warm congratulations to the rapporteur of the Committee on Agriculture for the first-class job he has done over the past few months.

With due respect to their authors, the various stands on the fixing of farm prices for 1983-84 often lead us to look at the accessories and lose sight of the essentials. The technical language of the debates, both in the Committee on Agriculture and in this House, is full of expressions that tend to be meaningless to the man in the street. This is why I feel it is important to say just what I think about the proposals to raise farm prices for the coming agricultural year.

Is there any need to tell this House that the objective method of calculation used by the Committee on Agriculture can in no way lead to exaggerated or extreme claims? To say it could would be tantamount to misunderstanding the very definition of the objective method, which consists in adapting farm prices to enable properly-run farms to have an income comparable to the average income outside agriculture.

The Committee on Agriculture, by backing a general price increase of 7%, is proposing a policy that will enable the farmers to keep up with the general trend in incomes. By adopting a proposal involving a 7% increase, as a result of an objective calculation, it has

in any case adopted a responsible attitude, indeed an attitude of compromise. If these proposals were adopted by the Council and Parliament, they would certainly not privilege the farmers as against other professions. On the contrary, they would at most reduce the disparities between agricultural and non-agricultural incomes. So at the end of this debate, Parliament will have to come out for or against equal opportunity, for or against a Europe that is able to create an environment favourable to an activity of the Community which, if not the only, is at least one of the few fields in which Europe can still claim a certain amount of independence *vis-à-vis* third countries.

So I feel it is wise to dwell on one or two realities that are as obvious as they are unknown. Almost all the countries of the world support their agriculture in one way or another so as to ensure food supplies for their populations. And the different countries give official aid to their agriculture so as to improve the export of agricultural products. It goes without saying that a country's success in agricultural exports today depends to a very large extent on the official aid given to that sector. It is worth noting here that the official aid granted to agriculture in Europe is substantially less than that given to its main competitors on the world market.

Allow me to conclude by recommending that this House adopts the proposals of the Committee on Agriculture. A realistic assessment of the strengths and weaknesses of the common agricultural policy leads to the finding that, one, Europe is competitive on the world market as far as its principal competitors are concerned, leaving aside the various official aids accorded, and, two, if we want parity of incomes to remain a dead letter, then we would do well to rubber-stamp Mr Mouchel's proposals. This is the price of maintenance of the common agricultural policy, which is better than some people would have us think.

Mr Vernimmen (S). — (NL) Mr President, Commissioner, ladies and gentlemen, during debates on the agricultural policy in the various Member States several years ago, the argument was usually advanced that nothing could be done because this was a European affair. During today's debate on the Mouchel report I have the feeling that a similar impression is created, that we in the European Community no longer control agricultural issues as a whole, but that every year in discussions on agricultural incomes and prices we produce standard arguments which are not relevant to the actual situation in agriculture.

This, as far as I am concerned, means that we have just about reached the end of the line with one specific system and that therefore, without unsettling the agricultural policy, we must find the courage to make fundamental changes to the structures. Everyone must surely realise that we in the Community keep on producing more — we have done in the past, are doing so now,

Vernimmen

and will continue to do so in the future — and that our point of departure must be our need to export. I also think it pointless and even criminal to believe that irrespective of production we can continue to adhere to the system of guarantee prices. That to my mind is the first basic point.

World market prices are obviously the target for our export products. But I must add immediately that consequently we must, within the framework of the agricultural policy, reorganise the social system for family holdings, with direct income subsidies or other means which guarantee the family farm a specific income.

As regards our exports, far-reaching credit systems will obviously have to be introduced, with not only Europe but also the Member States bearing their full share of responsibility. The Americans are clearly trying to conquer our traditional markets; some call it aggression, others a far-reaching liberal regulation, but either way we have probably not seen the last of those practices. I believe that the European Community must develop its own strategy in the light of this situation, after prior consultation of course, where possible, but if patience and consultation get us nowhere then import duties must be levied.

In view of the present circumstances I think that the kind of price formation that we have had for years is of little use and that the price mechanism alone cannot raise farmers' incomes. Since the Commission's price proposals, somewhat supplemented by the Committee on Agriculture, will have to form the basis of discussions, I consider the Mouchel report totally unacceptable, unless amended, since the necessary finance is not available.

Mr Konrad Schön (PPE). — (DE) Mr President, ladies and gentlemen, although I am not a member of the Committee on Agriculture and can only speak to the budget on behalf of my group, I should like to say this: the budget problem does not consist solely of too high a proportion of the Community's budget being spent on the agricultural policy, because the fact is that, strictly speaking, there is little in the way of a genuine common policy apart from the agricultural policy, which is why it absorbs so high a percentage of the European Community's expenditure.

Those who are not prepared to accept the proposals for thrift in the agricultural policy and the agricultural budget are really playing into the hands of the opponents of the agricultural policy. Consequently, I am personally in favour of our accepting the Commission's proposals, which will in fact result in savings under the agricultural policy, not least because of the pressure Parliament has exerted.

Hence, in my opinion, the importance from the budgetary viewpoint of the fact that the European Community has, for example, succeeded in improving its

relationship with the world market and in making world market pricing more flexible, as not only politicians with an interest in agriculture but also those who focus their attention on budgetary matters have always advocated. From the budgetary angle I therefore consider it reasonable — and, thank God, most of the politicians here whose prime interest is agriculture agree with me — that those who unnecessarily increase the production of surpluses without regard for the principles of the agricultural policy should be made to accept some of the responsibility. I believe that the family farms, the real farmers should be assisted under the common agricultural policy, whereas farmers who simply exploit and abuse the agricultural policy should be put in their place.

I am not afraid to say in this connection that every ECU — or every mark, if I may speak as a German — spent in accordance with the principles of the agricultural policy is an ECU or mark well spent, even if we have to contend with a surplus from time to time. It is better that we should be having to cope with problems relating to surpluses by reforming the agricultural policy than that we in Europe should discover one fine day that we are open to blackmail because we have shortages.

(Applause)

Mr Damseaux (L). — (FR) Mr President, while congratulating the rapporteur, Mr Mouchel, on his excellent work, I should like to clarify two aspects of his report which, I think, call for more careful examination.

The first concerns paragraph 11. The rapporteur proposes that special measures be provided for countries with a high rate of inflation. Encouraging this proposal would be tantamount to asking the Community to finance these measures and, therefore, the inflationist policies of these countries. In spite of the Community's efforts to coordinate the policies of its different members and to strengthen the process of economic convergence, some states do not seem willing to cooperate or follow the suggestions. These countries prefer to put the accent on other priorities and their rate of inflation is rising to as much as 15% or 20%. So do you really think it is up to the Community and, more precisely, to other Member States to finance these inflationist policies?

Consequently, these extraordinary measures that the rapporteur proposes do not seem to me to be such that we can support them. Only a structural policy could, if it involved suitable measures, play an effective and lasting role in improving agricultural incomes and in reducing the disparity of incomes within the sector and between the sector and the economy in general, as inflation can no longer be financed from Community monies.

Damseaux

The second point I am concerned about is the small amount of importance that Mr Mouchel attaches to the quality of products — although I do not wish to plead for a reduction in the quantity or the price of products. All I want to do is to stress that, for top quality products, many consumers are no doubt willing to pay prices that are above average. And we cannot ignore the fact that intervention could be limited if we encouraged quality as opposed to quantity. I consider that it is essential for the common agricultural policy to promote this approach and so I propose that we mention it straight away in the Mouchel report.

Mr Kaloyannis (PPE). — (GR) Mr President, first of all the increases in general and the other measures proposed by the Commission for the marketing period 1983-84 are inadequate. I support the view that an average increase in the order of 7% would be realistic, and feel that this must be accepted by Parliament. However, the most urgent requirement is for the increases, whatever they are, to be accompanied by special measures applicable in countries affected by high inflation, such as Greece, Italy and Ireland. I consider that the following special measures, amongst others, are necessary for these countries: support for the incomes of producers in those areas chiefly where the structure of agriculture is weak, improvement of agricultural structures, selective product protection, higher prices for products in which the Community is not self-sufficient, support to help in reducing production costs, support to assist the marketing of agricultural products, just application of the principle of Community preference and the differentiation of co-responsibility measures.

Concerning staple products the following measures would, in my view, be of some importance. In the dairy products sector — with specific regard to Greece — I consider the private storage of traditional Greek cheeses, feta, kaseri and kefalotiri, to be of importance, and to this end the basic regulations should be modified to enable private individuals and co-operatives to store these products within the scope of the legislation. Special aid should be given to small producers of cow's milk on the basis of yields, and up to a maximum of 60 000 kilos. Another way of differentiating the allocation proposed by the Commission would be for the average support per producer to range, according to Member State, between a minimum of, say, 100 ECU, and a maximum of 500 ECU. On bovine meat we propose that the premium for the birth of calves be raised from 32 ECU to 40 ECU, and that the premium for suckler cows be extended to Greece at a rate equivalent to that applying in Ireland and Northern Ireland. On sheepmeat and goatmeat we propose that the first six months of the year be defined as a crucial period warranting protection against imports from third countries, that goatmeat be given full inclusion in the common organization of the market in sheepmeat and that the marketing year be changed to run concurrently with the calendar year.

I want to end, Mr President, on the subject of tobacco and the relation between the premium arrangement and the norm price which is being reduced year by year for the Greek varieties of tobacco for which national support is incorporated in the norm price. On the other hand, this relation is increasing for nearly all of the other Community varieties. Greece is therefore seeking that the relation between the premium arrangement and the norm price in force in 1981 be applied to the 1983 crop. Secondly, the reduction of the intervention price to 85% of the norm price is unacceptable because the Greek varieties have adjusted well to the Community system in the initial stages of its implementation. We insist, therefore, that the relation between the intervention price and the norm price remain at 90%.

Mrs Gredal (S). — (DA) I want to say that the Danish Social Democrats cannot in any way support the Mouchel report. We think it is somewhat irresponsible in regard to both the price increases sought and the lack of production limits. It is surprising that the Committee on Agriculture now comes out against guarantee thresholds and co-responsibility levies, when it is remembered that only a couple of years ago the same committee in the so-called Plumb report supported production targets in each sector. The Community budget is burdened much more by that absence of production limits than by the price increases proposed by Mr Mouchel.

The Socialist Group has worked out a compromise proposal which points in the direction of the Commission proposal, which we can go along with a large part of the way. Indeed we think that the Commission's proposal is a good and reasonable starting point for the 1983-84 agricultural price settlement. I will therefore restrict my comments on the Commission proposal to a small number of products.

With regard to grain, we feel that a price increase of 3% is the maximum that can be contemplated, from the point of view of both animal products in the Community and the budget. But also for a third reason, and that concerns our relationship with the United States. We know that the price of grain in the USA will show a lower increase — i.e. 2.5% — and at the same time the Americans will be abandoning production over wide areas of grain country. I think we should be extremely careful over the level of grain prices in the Community. We should not let the price gap be any wider than is absolutely necessary, because — in my opinion — we should avoid escalating problems between the United States and Europe in the grain sector.

Everybody knows that we are faced with an unusually difficult situation in the area of agriculture. We had the opportunity in the delegation from Parliament to discuss the subject of agriculture with our colleagues in the House of Representatives, and the chairman of

Gredal

the agriculture committee of the House of Representatives took a certain positive stance. I do not think that we should escalate the problems on our side in Europe.

Let me say on the subject of pigmeat that the pigmeat producers are having a particularly bad time in the Community at the moment. We must therefore, as a minimum requirement, ask the Commission to declare its intention to make the administration of the pigmeat market more effective, in such a way that the basic price is the market price.

On the subject of milk, we support the Commission's proposal for a price increase, but I have a little cry from the heart in this connection where school milk is concerned. The Commission proposes that the support to school milk be increased by the same percentage as milk. But, as we know, this EEC aid requires a national contribution amounting to one fifth of the EEC support, which in my country at least has prompted many complaints over administrative difficulties arising from this rule, and I hope therefore that we can get a more sensible arrangement.

Finally I would remind you that the Community's agricultural policy continues to be undermined by the proliferation of national subsidies. I therefore ask the Commission once more — as I do every year — to concentrate more of an effort in this area.

Mr Barbagli (PPE). — *(IT)* Mr President, ladies and gentlemen, the eleventh report of the EAGGF, which dealt with 1981, provides farmers with precise details regarding the expenditure of the Guarantee and Guidance sections of the EAGGF.

These data show how much the agricultural industries of the countries in the Mediterranean basin are penalized. For example Italy, for the Guarantee sector, obtained 720 ECUs per person, and 28.9 for the Guidance section. Greece comes after Italy. In this connection, Mr President, I must deplore — in common with Commissioner Dalsager — Parliament's decision not to discuss the Mouchel report jointly with the Maher report regarding the influence on agricultural incomes of the rates of inflation in the different countries of the Community.

I am also amazed that the Socialist member Mr Gautier should have put forward such a proposal together with the Conservative member Mr Provan, giving as his reason the fact that the Committee on Agriculture had not examined the question. This is not true! The Committee on Agriculture arranged a hearing at which economists and monetarists of various countries in the Community were present. The same Committee had also decided to ask the President of the Parliament to couple the discussion on prices with the debate on the consequences of inflation rates.

I wonder how on earth behaviour of this kind can be reconciled with the policies that people say they want to adopt in order to correct the present imbalances. In point of fact, Mr President, a decision of this kind has its repercussions also on possible decisions on structural policy and on the transfer of income that must be brought about if we wish to give justice to the farmers of those countries, and in particular those zones — inland mountain areas — that are even worse hit by this type of policy, which people say they want to change, though their words are belied by their actions in support of such a policy, in the defence of who-knows-what interests.

May I make one other point, Mr President. We have to overlook the fact that the financial allocations for the structural policy — I refer to the socio-structural Directives and, in particular, Regulation 355 regarding the manufacture and marketing of agricultural products — must produce added value for the farmers.

For this reason we ask that, motivated by the spirit of solidarity and, hence with a view to the redistribution of the effects of the CAP between the different producers in the Community, incomes should be removed from the sphere of prices policy and transferred to structural policy.

(Applause from the centre benches).

Mr Gautier (S). — *(DE)* I would ask Mr Barbagli to listen if he is going to accuse us of not wanting this report on inflation and incomes discussed here despite the excellent hearing we have had. I attended the hearing from beginning to end, but as far as I know, you were not there for one minute. If you had been, you would have appreciated how difficult these problems are and that we were not much the wiser after the hearing than before. All we were able to find out is that we must reassess certain things. So it would be better if you refrained from attacking others and attended the meetings.

If you are going to attack the Socialists here, let me ask you one question: which party has been in government in Italy for the last 30 years? It is surely the Christian Democrats who are incapable of implementing the Community's agricultural structural policy and instead use the money as a cheap cash loan to overcome their own financial difficulties. That is what is causing our problems with Italy!

Mr Mouchel's report really says everything that a good farmers' lobby could hope for. There is only one aspect that we unanimously endorse: Mr Mouchel's demand that the farm prices be fixed by 1 April. There is really nothing else in the report that we can accept.

The report also contradicts everything that Parliament has previously decided. Mrs Gredal referred to the Plumb report. Only the Christian Democrats are capa-

Gautier

ble of going against their own decisions. They decide one thing one day and another the next, always in the hope that others will straighten everything out in a way that suits them. We Socialists at least are not so opportunistic: we are sticking to the line we have followed for the last three years, and that is that we must tackle the main problem connected with the agricultural policy and control the surpluses.

Surpluses are not a natural phenomenon, as Mr Bocklet apparently wanted us to believe when he accused the Commission of having no concept. Let me ask the Christian Democrats this: who was it who rejected everything? Did we reject the Commission's proposal for super-leaves or did you? And you are now again rejecting the quantum model proposed in the Mouchel report. You reject every proposal the Commission has to make, and then you complain that no decisions are taken. This is really absurd.

It is the same in the Council. Every year it says something will be done when milk production rises by 2% or 1% or 5%. What happens? For three years milk production has been rising, and all the Council does is make declarations of intent. Mr Ertl, I am willing to bet that this year you will again fail to implement last year's declaration of intent, in which you undertook to reduce the intervention price of milk if production rises by more than 0.5%. The real scandal of the European Community is that we cannot manage to limit the surpluses in some way but always resort to what I would call dulling the minds of the people when we face the television cameras after meetings of the Council of Agricultural Ministers and explain to people at home that something will be done when in fact nothing is ever decided.

My group will by and large endorse the Commission's proposals. We have tabled a number of amendments, but we support the general line the Commission has adopted on prices and support measures.

This morning Mr Tugendhat described the outflow of resources in the first three months of this year. It really surprises me how some people can simply put up with this and maintain it is not a problem. Spending is to exceed the budget by 500m ECU. That is a real figure, not a theoretical one, and we, one part of the budgetary authority, are pretending that this is of no interest to us. We Socialists cannot support this position. We shall continue to adopt a responsible approach, an approach in which we are aware of our responsibility, as regards both budgetary questions and the aims of the agricultural policy.

Mr Papaefstratiou (PPE). — (GR) Mr President and fellow Members, I would like first of all to commend the fullness and objectivity of the report by our colleague, Mr Mouchel, which we support because it deals with the very serious issue of the fixing of farm prices in a comprehensive manner.

Some basic points that we should keep in mind if we are to come to a just and reasonable decision are as follows. Firstly, the need to safeguard the income of producers, which has suffered a decline. Secondly, the need to ensure a better balance between the incomes of farmers and those of other productive sectors. Thirdly, the need to reduce existing regional imbalances, because all of the farmers are equal citizens of the EEC. Fourthly, the need for the allocation of price increases to take account of product surpluses or deficits within the Community.

In addition special measures must be instituted to provide financial assistance for producers in those countries of the Community which are, unfortunately, plagued by high inflation rates in excess of the Community average. Therefore we regret that the report by our colleague, Mr Maher, is not being debated today. Many of the problems of the common agricultural policy could be solved if — and I draw the attention of Mr Dalsager to this — the principle of Community preference were applied as it ought to be in order to give the agricultural products of the Community the greatest possible prospect of sale in the Community's own domestic markets which are quite capable of absorbing them.

Concerning Greek agriculture which, because of its small and impoverished holdings and structural problems, is undoubtedly backward, this can be supported to good effect if, firstly, the Council of Ministers decides to allow immediate parity with Community prices for Greek agricultural products withdrawn from the transitional arrangements. Secondly, if swifter progress is made towards alignment of financial support levels as, for example, with the olive oil production subsidy, the penetration premium for citrus fruits and the premium for durum wheat, etc. Thirdly, if the EEC provides low interest subsidization on loans to Greek farmers and to farmers with low incomes and high production costs in other countries. Fourthly, if subsidization is also provided on production aids such as fertilizers, machinery, herbicides, animal feed and olive gathering collection nets.

Mr President, the decisions taken by Parliament and, principally, by the Council of Ministers — and I am glad Mr Ertl is present — must make a genuine contribution to maintaining the cohesiveness of the Community by showing fairness and magnanimity to all, and particularly to the poorest of farmers in the countries we represent because they stand in greatest need.

Mr McCartin (PPE). — Mr President, I would like to thank Mr Mouchel for his report, to congratulate him and to say that I accept and appreciate most of what is contained in it.

I have listened to most of the contributions already made in the debate and I think that over four years in this Assembly we have moved, in spite of some rather

McCartin

extreme points of view on either side of the House, a little closer towards an understanding of what we are trying to do. I think that many Members who came here with the view that the common agricultural policy was an obstacle to the development of other policies have moderated that view and now recognize that we can have a progressive common agricultural policy and that the difficulties experienced and the solutions applied will help to equip us better in our efforts to develop similar policies in other areas.

I represent an area that is predominantly agricultural, but I recognize that the common agricultural policy can be an embarrassment to those people who represent areas that are entirely non-farming. But it is not the absolute cost of the common agricultural policy that is the problem. It is the spending on this policy as a proportion of our total budget. I believe that the solution to this problem is an expansion of our budgetary resources to provide funds for the financing of the regional and social policies which all of us in this House would dearly love to see developed. The problem of lowering occurs in the peripheral regions and in the higher inflation countries; it cannot be resolved by increased prices alone. To compensate Irish farmers for the effects of inflation last year would require an increase of 16%. But to compensate Irish farmers for three years of higher than average inflation and stagnant production would, of course, be out of the question and impossible to resolve by price increases alone. And to seek to solve that problem by a pricing policy alone would, I believe — and I must freely admit this as a farmer — create an unacceptable monetary demand and unacceptable political tensions.

Ireland came into this Community handicapped by a serious structural agricultural problem and a weak food-processing industry. And yet, in the years before inflation and exorbitant interest rates eroded our margins, we had the second fastest expanding agricultural industry in Europe.

So we know that Irish agriculture can modernize, improve its productivity and compete, given a reasonable economic environment.

It must be remembered that the various structural directives were not, in the first place, designed to take account of Irish needs since Ireland was not a member at the time and their value, along with that of the special measures, was rapidly eroded by inflation. If we cannot be compensated by price increases — and we cannot, I agree — then a new and more appropriate set of measures are needed urgently. They must be administratively less expensive and they must have a constant value in relation to the cost of the development that they are intended to finance. Capital for investment must be available to all farmers throughout this Community at reasonable and competitive prices. Over the past four years Irish farmers, along with farmers in other peripheral regions, have been paying rates double that of those available to farmers in coun-

tries like the Netherlands and Germany. I would suggest that as an interim measure to restore some sort of equality of opportunity, 'severely handicapped' schemes should be extended to include all non-commercial farmers.

The Treaty of Rome undertakes to provide farmers in the Community with a comparable income. There is no inflation clause which gives the Community an escape from this obligation.

When Ireland joined the EMS, it was assumed that the pound sterling would lose value against other EMS currencies. This did not happen and the financial assistance given to Ireland turned out to be totally inadequate. Ireland has kept faith with its EMS obligations and agreements and in the event of any realignment of currencies within the system, which is probably overdue at the moment, I think that it would involve a devaluation of the Irish pound, and some assistance could possibly be considered by the Community. I think Mr Dalsager mentioned that in this area lay the best possibilities for the high inflation rate countries getting some benefit from changes in currencies and achieving higher incomes. I think in this event, perhaps, that a problem like that of the Irish national debt, which is owed in foreign currency, could be helped by some form of subsidization to compensate us for realignment of our currencies and make it possible for us to give farmers an increased income by doing this.

I believe all those things, or a combination of them, is possible. But one thing we cannot have in an economy so dependent on agriculture as Ireland is, is the imposition of quotas or quantities or limits on production. That is something that an underdeveloped agricultural industry just cannot have.

Some Members, particularly British Members from both sides of the House, for example Miss Hooper and Mr Collins, spoke on behalf of the consumer. They decried the fact that the consumers' interests are not taken into account. I would like to quote to them the British Minister of Agriculture, Mr Peter Walker, who said that the evidence is that in real terms farm gate prices were down by 17% for milk, by 19% for cereals and by 14% for sugar. He claims that the problem for the British consumer is not, in fact, the common agricultural policy, which has brought about a drop in farm price, the real problem for the consumer is internal costs . . .

President. — Your speaking time is over, Mr McCartin. Mr Eyraud, you have the floor.

Mr Eyraud (S). — (FR) Mr President, Ladies and Gentlemen, this debate is on agricultural price fixing. The term is a very poor reflection of the problems of farming and of the contradictions and divergences

Eyraud

within it. Fixing prices is fixing the living conditions of hundreds of thousands of families in Europe, many of whom live in underprivileged areas like the one I represent, the Auvergne. In fixing the prices on a product-by-product basis, by cutting up a complex world in this way, we are forgetting the people in farming and only seeing the monetary compensatory amounts, the budgetary constraints, contributions, fair returns, production targets, the trade war with the USA and so on. So I should like to intervene here, not as a farmer, not as a representative of a food and agriculture lobby and not as a defender of a Member State either, but as a simple observer. In my job as a vet and in my work as a local representative, I live with people from the rural world. It is a world that is close to nature and linked to the quality of life, but its weight as compared to major financial interests is slight.

So the farmer's standard of living is going to be fixed by the food and agriculture industry which exploits it at all stages in the process through compensatory amounts, the workings of which are both difficult to understand and little understood, through countries that demand fair returns, through the will of American farmers and their representatives on the Senate and through businessmen who use agricultural products as a means of exporting capital goods to third countries — in short, through a whole series of powers and elements outside it. Well, I cannot accept this sort of strategy. I cannot accept attacks on a constantly regressing social category. For historical, psychological and cultural reasons, we are trying to make the farmer a scapegoat. In many people's eyes — and this has already been said — it is the farmer's fault if the price of food at the grocer's is too high. If anything is wrong with the prices, it's the farmer's fault. If the environment gets destroyed, then that is the farmer's fault too. But no-one ever questions the excessive margins, the speculation or the exaggerated prices. The farmer is forced to go on producing more to earn less and, in the end, to have not even the basic essentials.

So I shall end, Mr President, with just one question. Will the Commission and the Council display a little humanity and a little social justice by agreeing to pay all the small and medium-sized farmers of the Community properly? A simple question, one of justice and good sense.

Mr Ertl, President-in-Office of the Council. — (DE) Mr President, apart from a few interruptions, during which I was talking to Mr Genscher and some Bavarian journalists, I have been following this debate very closely, and I feel the need to make a few remarks.

I agree with every speaker that an anti-inflationary policy must be the primary goal. But this is not a task for the Community's agricultural policy but for each Member State's economic policy, with coordination at Community level. Everyone must have the courage to

admit his faults and, through the attitude he adopts in his national parliament, help to fight inflation throughout Europe.

The system that has been chosen — another system could have been chosen: I shall be talking about a special system, a third system, in a moment — is bound in the long term to result in stable, or fixed, exchange rates. We have made an attempt with the EMS, and so far it has been successful. Let us hope it will be successful in the future. I am optimistic: after all, the average rate of inflation in the Community has for the first time fallen below 10% this year. But this entails joint efforts. The further we can reduce the rate of inflation, the more likely it is we can solve all the other problems, like those connected with the MCAs.

I should like to help to ensure that a true picture is painted in this context. What increases in prices in national currencies resulted from the flexible use of monetary compensatory amounts between 1975 and 1982? I have already given the members of the committee these figures: Federal Republic of Germany +27.8; France +95.1; Italy +166.5; Netherlands +43.1; Belgium +54.7; Luxembourg +53.2; United Kingdom +92.5; Ireland +111.4; Denmark +94.5. I do not unfortunately have any figures for Greece because its accession occurred during the period 1975 to 1982. You can see, therefore, that not everything was done absolutely fairly. But I am one of those politicians who do not want to do everything fairly. All I try to do is act correctly. If that results in account being taken of interests in such a way that everyone finds the outcome tolerable, that in itself is not a bad policy by any means.

For a long time I was very critical of this agricultural policy, which was not invented by me, but I know how politically necessary it is when I consider the interests of each individual country, and I am not so critical of it now as I used to be. It should not be condemned in the way it has been from time to time in this House or, for that matter, by the farmers. I am convinced that most farmers would have been worse off under national agricultural policies than they have been under the common agricultural policy. The same is true of consumers.

I can only quote figures on my own country, because I was unable to obtain confirmation of all the others in time, but the differences are not so pronounced. Just take a look at the trend in incomes, the gross or net incomes of employees since this Community came into existence. Let me give you one example: when Italy joined the Community, average consumption of meat was about 30 kg. Today it is 75 kg, which I think is a move in the right direction. It benefits the agricultural industry, and it benefits the consumer.

I am very proud to live in a Community where people are able to eat high-quality food, not just simple carbohydrates, where workers can afford oranges,

Ertl

lemons, wine and indeed champagne if they want it. And yet in my country average spending on food still amounts to only 20% of total income. Almost as much is spent on accommodation and more on leisure activities. This means a higher social living standard. The Community can consider itself to be a wealthy Community, even if the problems do vary. Not everything should be condemned out of hand. Distinctions have to be made: you cannot please all the people all the time.

The Treaties of Rome require us to ensure that farmers are treated like other, comparable occupational groups in social and income terms. We also have an obligation to provide the people with sufficient foodstuffs. Somehow or other a reasonable compromise between these conflicting objectives must be found. For milk we at least have the co-responsibility levy. If I wanted to be controversial, I would ask: in what other sector where there are surpluses, steel, for example, is there co-responsibility?

(Interjection by Mr Gautier)

I am just as familiar with the severance arrangements and social plans as Mr Gautier. I am in favour of them. Ours is an industrial country, and we must protect jobs in industry. But an industrial society that does not have a viable agricultural sector is condemning itself to death. That is the great challenge we face.

(Applause)

We have, then, introduced co-responsibility in the case of milk. It may be said that that is not enough, but it is a help. The production statistics will always reveal fluctuations. We have had an excellent year for fodder. We must not start worrying whenever a problem arises. We have lost important markets in the Middle East because of the senseless war between Iran and Iraq. That is why they are buying less milk powder. That is why less cheese is being produced.

A few distinctions have to be made. I cannot go into all the details because time is short. But we have relaxed intervention in the case of meat, we have reduced intervention for cereals to three months after the harvest and ultimately cut costs. We should look on the positive side from time to time, not always negative. It can, of course, be said that none of this is enough.

The proposal that there should be a transfer of incomes, which was the main reason for my speaking, is fantastic and yet so wrong. Take a close look at Eastern European agricultural policy. There you have a transfer of incomes... and weeks without meat! I would not want an agricultural policy like that. I would prefer to have the responsibility for surpluses. But, I ask, where do surpluses begin? There are, of course, vital differences in this respect. Let no one

accuse me of not having European convictions. I do not think anyone will. So I will take the risk.

Let me take the example of my friends from the Netherlands. Self-sufficiency in butter: 505%. Or my friends from Ireland: 336%. I must, of course, name the principal producers. We can take Germany as well: 127%. I am not criticizing you. But anyone who believes the Netherlands joined the Community with the intention of reducing its butter production to any appreciable extent is, in my opinion, politically mistaken. And the Netherlands must admit this is so. We must stick to the truth in this.

The question must be: where do surpluses begin? At a self-sufficiency of 100%, 105%, 110%? Does the figure apply to the Community as a whole? Who should be required to reduce production? Who should be allowed to expand? Do you think you still have a Community? You have a torso, chaos, you have less stability in Europe, in the world, and in the end you may also have a situation that is politically irresponsible. I have learnt a great deal during my visit to this House.

I was in Saudi Arabia not so long ago. Let me tell you what a litre of milk costs there: 4.50 riyal, or DM 3.30. I would not mind being the Saudi Agricultural Minister: with the coffers full it is easy to pursue a successful agricultural policy. The same is true of the Community. In the end everyone thinks about money.

But to revert to the transfer of incomes. There can be a combination, of course. That is why we have a programme for mountain farmers. If there is enough money, this can be extended. But anyone who thinks that the transfer of incomes is the alternative to the system of market, price and support policies should take the trouble to study the cost of an agricultural policy where the level of self-sufficiency is so high. I cannot tell you any more in the time available. But I did want to point this out to you. We have not fared quite so badly as the criticism of the agricultural policy often leads us to believe. But nothing is perfect: there is always room for improvement.

Finally, I should like to say something about the solution of the problem of small farmers, because I know that in many parts of the Community this is regarded as a central problem, particularly in view of the enlargement of the Community. The problem of small farmers will not be solved with a price policy. The solution will be found in improved infrastructural, economic and regional policies, by finding jobs for small farmers to do in addition to their agricultural activities. There is no other alternative. Otherwise you will find large areas of Europe being depopulated, because you will force small farmers to emigrate to the urban centres. That would be the worst kind of social policy.

All areas of Europe must be populated. Europe will need villages in the future too. This must be the basis

Ertl

for the kind of stable society we want to maintain and have maintained in recent years — in peace and freedom. I see this as the main task, and we must not begrudge the money it will cost.

(Applause)

President. — Thank you, Mr Ertl. I am sure I speak for all the Members of the House when I say that we appreciate Mr Ertl's presence here today, both to launch the debate and to reply to it. Knowing the type of week it is, we particularly appreciate his presence here.

(Applause)

Mr Dalsager, Member of the Commission. — *(DA)* Mr President, we have had a long and wide-ranging debate, which shows that what I said yesterday was right, namely that one of the most important decisions taken by Parliament concerns the proposal on prices for the coming farming year. The great interest shown by the Members of Parliament in this debate shows that it is a decision which Members of Parliament also consider to be important. I should like therefore to take this opportunity to thank all those who have taken the trouble to contribute views to the discussion, so that we have again had a good debate on agricultural policy.

A little more polemically it was said yesterday that our price proposal last year was a Thatcher proposal and the proposal this year is a Reagan proposal. I must say that nothing could be further from the truth. Notwithstanding the excellence of the persons referred to, it is the Commission alone which, having regard to the development of the common agricultural policy, has worked out and presented under its own responsibility proposals designed to protect, maintain and improve the common agricultural policy. The Commission also considers this to be necessary, if we want to keep the agricultural policy in line with current trends affecting us and which we know will create problems for the agricultural policy if we do not put forward the necessary proposals in good time. The present proposal therefore is, in my opinion simple, cohesive and sensible in relation to the problems we have to tackle. It is a proposal which takes into account all the relevant factors and not just one of them. The Commission's proposal takes account, as it must, of farming incomes, the market situation, the Community budget and the general economic situation in the Community. If we did not try to build all these elements into the Commission's proposal, it would be irresponsible, and I think that, if that were the case, quite a few Members of Parliament would criticize the Commission for taking such a course of action.

A very important element in the Commission's proposal relates to the application of guarantee thresholds.

The question Parliament must consider here is whether it is prepared to accept a limitation on price guarantees. It is a difficult question, for so much depends on the answer Parliament gives, in fact nothing less than the future of the common agricultural policy. I think that, having regard to what was said by my colleague Mr Tugendhat on the whole process of the budget question and to much that has been said by Members of Parliament, it is correct that, if we do not tackle some of the problems we can see shaping up ahead, the future of the agricultural policy is quite simply in jeopardy. Let me give an example: in 1982 the Community produced 23% more milk than in 1973, but our consumption of dairy products was only 6% greater than in 1973. Think about those figures. A production increase of 23% and an increase in consumption of 6%. That is the trend. What does it mean? As far as I can see, it means that two things are impossible. To begin with, it is not possible in the short term to bring about the slightest reduction in that milk production. It cannot be done — technically, politically or socially. Secondly it is not possible for us merely to continue the way we are going. We shall have to develop long-term measures to secure a better balance between supply and demand. And that will be done, according to the Commission's proposal, on the one hand, by controlling the rate of increase in production and, on the other hand, by increasing and endeavouring to improve the limited scope for sales. As I said yesterday, the Commission is prepared to investigate other marketing possibilities within and outside the Community. We will certainly give encouragement to support for school milk, as Mrs Gredal has asked. Unfortunately she is not here, but I might have informed her that the Commission yesterday agreed by the written procedure to propose to the Council and Parliament that the expenditure on school milk be simply refunded by the Community.

We also intend to improve the export system, so that the refunds on sales of butter to the Soviet Union are placed on the same footing as on sales to other countries. We will examine all possibilities. But Parliament must not foster any illusions. These measures will not solve the problems by themselves. Unless immediate steps are taken to reduce production increases or to ensure that the cost of the disposal of the extra production are borne by the producers, the Community budget will come under ever greater pressure.

In the course of the debate, Mr Pranchere said that the Commission rejected the idea of a supplementary budget for agriculture. I should like to correct that impression. Both Mr Tugendhat and I have said that there is quite certain to be a supplementary budget for agriculture this year. The question is not whether there will be one, but what will be its size. That is the answer to the question, and it depends to a large extent on the Council and Parliament whether our proposals on the application of guarantee thresholds are adopted. It will also have a bearing on to what

Dalsager

extent we have a supplementary budget for the EAGGF guarantee section this year.

Many speakers, Mr Provan among them, drew attention to the situation on the world market and the tense state of relations between the Community and the United States. I think that two very simple aspects are involved here. First, when the Community adopts its annual price settlement, it must look to the Community's own interests. The Commission has never been in doubt that our settlement must be in line with our own priorities and not those of our competitors. When we advocate a lower rate of increase in grain prices, we do so because we are convinced that that policy is to the Community's advantage. We will not, either now or in the future, allow the annual price settlements to be dependent on any pressures from outside. Secondly we do not under any circumstances want a trade war with the United States, for the very simple reason that both we and the Americans and all others involved in trade in agricultural produce would quite simply be the losers in any such trade war. At the same time, we must stand firm vis-à-vis our American friends. We will defend our share of the world market with the resources at our disposal. I am convinced that we can do it. In this connection I am also entirely in agreement with those who say that the Americans cannot expect us to continue importing their feed for our animals if they refuse to import the animal products we produce by means of the feed we import from them.

I must correct a statement by Mr Fuchs, which is contained in his report. The Community is not responsible for the very bad situation on the world sugar market. Last year we were alone in increasing our stocks by 2 million tonnes and, last but not least, Mr Fuchs must understand that the Community's sugar producers now bear all the costs associated with their exports.

Mr Helms yesterday proposed another co-responsibility system for the milk sector. I have had some very quick calculations done of the consequences of his proposed amendment regarding the co-responsibility levy, which indicate that the result of his proposal will be an increase in Community expenditure of approximately 25 million ECU in 1983 and approx. 135 million ECU in 1984. In the longer term the increased costs arising from his proposal would be even greater, since it does not provide for any effective limit to the development of production.

Let me say that I am just as concerned as Mr Maher and Mr Flanagan over industrial milk production. I am also concerned over the situation of the small milk producers in Ireland. I was in Ireland myself only six weeks ago and I had a look at the areas I was urged to study more closely. I would remind my Irish colleagues that milk production in your country has actually risen over the past five years by 24% more than in any other Member State. I would add that the Commission has also put forward proposals in this area for

a special levy on industrialized agriculture — a proposal which has suffered rather the same fate as a number of other proposals from the Commission over the years, when it was a question of introducing co-responsibility levies in the milk sector.

Many speakers also drew attention to the problems concerning those countries with high inflation. I regret that the Maher report on this problem was not covered by the discussions, since it is relevant to the price settlement. A number of speakers deplored that insufficient support was given to the so-called Mediterranean products in the context of the inflation which has affected two Mediterranean states in particular. I should like to correct this view. In 1974 the Community's expenditure on Mediterranean products was 388 million ECU. The budget for 1983 provides for expenditure on these products of 2 768 million ECU. If you study the figures, you will see that there has also been a considerable increase in percentage terms in the expenditure from the EAGGF on Mediterranean products, so that the Commission and the Council have to a large extent fulfilled their commitments on improving the situation of these products. Mediterranean products now absorb a very large proportion of the resources in the EAGGF guarantee section and there are in addition a number of special forms of support to these products. It cannot therefore be said that nothing is being done or that not enough is being done for these products.

As we said last year, the first objective is to bring down inflation and to reduce the disparities in inflation rates. As the President of the Council has just pointed out, it is certainly no easy task, but one which the Member States and the Community must try to accomplish together. It is the only way in which we can get a lasting improvement in economic conditions — and that does not apply only to agriculture in the countries concerned but to all other economic activities as well.

The agricultural policy can contribute to this in three ways.

Firstly, we can gradate the annual price determinations by applying the green exchange rates. I would say again here that Italy and France still have a margin for a green devaluation, and the same applies to Greece.

Secondly, we can apply special interim measures to the countries concerned, and I would remind you in this connection that there are many special subsidies or support measures for the Irish farmers, from sucking cow and calf premiums, which are 100% financed by the Community, to interest refunds, which are financed jointly by the Community and the government.

Thirdly — and most importantly — we can extend our structural measures with a view to aiding undertakings in less favoured areas. In this connection I might men-

Dalsager

tion the development programmes for the Mediterranean area, which the Commission recently announced. It is an ambitious project aimed at raising the entire infrastructure of our Mediterranean areas to a better level. I am certain that it is the best way of helping agriculture in these areas in the long term.

Finally, let me say that we must expect Parliament to state views which are coherent and consistent. There must be coherence between Parliament's pronouncements on budgetary questions and pronouncements on the concrete policy which is contained in this budget. I realize that it is a difficult decision. Price proposals are always difficult, and that applies to the Commission, Council and Parliament alike. I hope and trust that Parliament will overcome these difficulties and will arrive at a conclusion which is both sensible and justifiable in the present situation.

(Applause)

Mr Mouchel (DEP). — *(FR)* As I listened to this debate, I often got the impression that it was a dialogue of the deaf. All of us always use the same arguments.

The adversaries of the CAP totally ignore the constructive proposals of the Committee on Agriculture. Every year, we are told that the cost of the CAP is going to be too great. This is giving weapons to the Americans, pointing out our weaknesses and encouraging them to bring down world rates to cut us out. But we made savings on the CAP budget in 1982. What needs to be said, in fact, is that, if there are people in favour of the common agricultural policy, there are people against it too — and that means they are against the farmers.

Are there some people who are entitled to a decent income guaranteed by a minimum salary and others who are prey to all sorts of external hazards and dangers? I thought that one of the aims of the Community was to ensure that people in agriculture got a decent living. Would we agree to index wage guarantees to agricultural incomes, taking 1973-74 as a reference? And what would agricultural incomes be if the Council had always followed the Commission's proposals on price fixing?

Mr Woltjer tells us that the 1982 prices led the farmers to produce more. Mr Woltjer, I am sorry to say, cannot know much about agriculture. In some years there are a lot of cherries, say, and in others there are none, so it has to be realized that the climatic conditions have a lot to do with it. Improvement in agricultural incomes in 1982 was due to favourable climatic conditions.

A number of speakers have talked about the extra expenditure that would have to be made if the Committee on Agriculture's proposals were adopted. But

have they read the report? I should like to point out that we too have made proposals for extra income and I should like to insist that they be taken into consideration.

There has also been a great deal of discussion about the co-responsibility levy for milk, about its level and the progressive nature of it. This is indeed a problem which warrants discussion, and I personally am in favour of any modulation that would exonerate the small producers and make the big industrial undertakings pay more. This was what I had in mind when I proposed in my report to tax industrial undertakings producing more than 15 000 kg milk per ha. But if there is a lot of production, outlets have to be sought across the world and there must still be some for certain products. I consider that it is a bad thing to have prevented exports to the Soviet Union. I have also noticed on this topic Mr Commissioner, that you have failed to answer Mr Davern's question as to whether a contract exists or is being prepared between the Soviet Union, New Zealand and Canada to take over from Europe the delivery of dairy products.

May I, in conclusion, appeal to your wisdom, common sense and good faith? Let us take a proper look at all the aspects of the Committee on Agriculture's proposals. We hear about fixing production targets. We agree to talk about them, but we must also take into account the substitute products which are imported. The day will come, perhaps, when European agriculture is no more than a question of adding value to imported products, to the detriment of a large number of small farmers. I personally refuse to countenance their being the only ones to lose out and the American and European farmers who use their products being the only ones to gain.

Why — and this is a suggestion that I am making by way of conclusion — should we not institute an annual agricultural conference with experts who could look into the problems and give us their conclusions later? This would mean that the European Parliament could avoid repetition next year and for many years to come of the arguments we have all been hearing for so long.

It would mean we could have more peaceful debates and rediscover the common interest that exists between the farmers and the consumers — and let us not forget this. And we could also do our utmost to construct other common policies instead of attacking the only policy we currently have. In order that this future task should not be compromised, I call on all those who are still hesitant to vote for my report — and if they can do so with enthusiasm, so much the better.

(Applause)

President. — The debate is closed.

President

The vote will be taken on Thursday at 10 a.m.

(The sitting was suspended at 1.20 p.m. and resumed at 3 p.m.)

IN THE CHAIR: MR DANKERT

President

3. Turkey

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

- the oral question with debate (Doc. 1-1274/82), by Mr Israël and others, to the Foreign Affairs Ministers.

Subject: Violation of human rights in Turkey

It is understood that at a meeting in Brussels on 23-24 September with Mr Davignon and Mr Hafkamp, the Minister for external economic affairs for Turkey Mr Sermet Pasim reiterated his government's intention that Turkey should apply for Community membership 'when circumstances permitted'.

Will the Foreign Ministers give an indication that no such application will be considered, and that the 4th EEC-Turkey financial protocol will remain frozen as long as basic human rights are not respected in Turkey?

In judging Turkey's record of respect for human rights, will the Foreign Ministers take account of the findings of the European Commission of Human Rights in considering an application against Turkey under article 24 of the European Convention on Human Rights filed 'on 1 July 1982 by Denmark, France, The Netherlands, Norway and Sweden?

- the oral question with debate (Doc. 1-1275/82),¹ by Mrs De March and others, to the Commission

Subject: Relations between the EEC and Turkey

Could the Commission report to the European Parliament on the talks it held with Mr Pasin, Minister of State of the military junta in power in Turkey?

At these talks, did it make a point of emphasizing the Community's refusal to resume payments of

financial aid to Turkey, which were frozen when the military came to power, until such time as civil, political, and trade-union liberties have been restored?

Did it also reaffirm the EEC's refusal to sign the 4th financial protocol?

- the oral question with debate (Doc. 1-1280/82), by Mr Glinne and others, on behalf of the Socialist Group, to the Foreign Affairs Ministers

Subject: Situation in Turkey

During Question Time on 8th February, 1983, the President in Office stated that since the situation in Turkey would be discussed by the Foreign Ministers of the Ten Member States of the European Communities meeting in Political Cooperation on 1st March, 1983, he would be able to answer questions on that subject more fully at the next part-session, and undertook to do so.

What is the Foreign Ministers' position with regard to the exclusion of previously active democratic politicians from engaging in political activity in future under the draft constitution adopted on 7 November 1982?

What is the attitude of the Foreign Ministers towards the action taken by France, the Netherlands, Denmark, Norway and Sweden to bring Turkey before the European Court of Human Rights?

Would the Foreign Ministers state what information they have with regard to allegations of torture in Turkish jails, how they regard such allegations, and whether they consider that human rights are being adequately protected and respected in Turkey?

Would the Foreign Ministers state their views on the new Turkish constitution, with particular reference to the principle of the division of powers, to fundamental and democratic rights, to the rights of political parties and trade unions to engage freely in their respective activities, and to constitutional guarantees to ensure the complete freedom of the press — particularly after the latest bans on newspapers and attempts to intimidate journalists?

Mr Israël (DEP). — (FR) Mr President, honorable Members, Turkey is obviously a country with a European vocation. It has a part to play, and a considerable one, in the balance of Europe and in its security. But this is a country which has long suffered from terrorism, it has suffered internal aggression and for quite some time this internal aggression has threatened its democratic structures and its existence.

Turkey has managed to curb its terrorism and re-establish a certain measure of peace. But at what cost? The suspension of democratic liberties, bans on

¹ Formerly Written Question No 1506/82

Israel

traditional political parties, 30 000-50 000 people in prison, the abolition of union rights and, above all, while teachers of law and men of good faith are drawing up a constitution, in the cellars of the Ankara regime people are tortured, given electric shocks and beaten and men and women are kept in solitary confinement, blindfolded and handcuffed, for weeks. Prisoners are tortured in front of their close family. At least 15 people have been tortured to death. This inhuman and degrading treatment is a dishonour to the Turkish regime and incompatible with normal relations between Turkey and Europe.

There is flagrant violation of the right to legal defence. Lawyers who seek to offer individual defence of 230 prisoners at a collective trial are thrown out. We think the Turkish government has no time to lose in denouncing these practices, as it should renounce — and here I am making a solemn request as a humble MP — all application of the death penalty. A number of civilized countries, Italy in particular, are winning the fight against terrorism without resorting to capital punishment.

The price the Turkish people are paying for the re-establishment of peace within its frontiers is too high. How can one talk of peace while torturing people and putting them to death?

Then there are two delicate questions, the solution of which perhaps interferes with the development of normalization in Turkey. The wiping out of the Armenians is an historical — I repeat, an historical — issue. What danger would there be in the Turks setting up a university commission to look into the historical aspects of the drama of 1915? What are the problems involved in apportioning responsibility — which may well be shared — for a tragedy that is almost 70 years old?

The second question is this. Why cannot the Kurds, who account for only 20% of the Turkish population, enjoy a minimum of cultural rights and be allowed to speak their own language in the courts? The cultural rights of minorities are never an attack on national unity.

Mr President-in-Office of the Council, I ask you, in the name of the signatories of oral question No 1274, if you expect, as you apparently stated during a recent visit to Bonn by Mr Türkmen, the Community's financial aid to Turkey soon to be re-established. I should also like to ask you whether you intend to wait for the request introduced by five countries of the European Human Rights Commission to be the subject of a specific report to the Committee of Ministers of the Council of Europe before embarking on the process of normalizing relations with Turkey. I should also like to ask you what you think about the Turkish constitution as far as democratic principles are concerned. And do you think it is legitimate to exclude all the traditional political parties from the elections that are due

to take place on 16 October? But above all, Mr President, I should ask you whether you think it is right to go on closing your eyes to the inhuman and degrading practices that are the general rule in Turkish prisons today, even if the Turkish alliance is vital to the defence of the west. The west, you see, honorable Members, does not just defend itself with ballistic missiles and nuclear rockets. It also defends itself with principles and they are those of a pluralist democracy, which is itself based on the defence of human rights.

Mr Frischmann (COM). — (FR) Mr President, today no-one can doubt the seriousness and above all, the worsening, of the situation in Turkey. The explanatory statement and the report which the Legal Affairs Committee made to the Parliamentary Assembly of the Council of Europe last January are edifying. The three experts consulted on this occasion say quite categorically that the new constitution contains provisions that flout freedom and elementary human rights and therefore fail to respect the European Human Rights Convention. And during that same session, the Parliamentary Assembly of the Council of Europe agreed to envisage excluding Turkey from the Council of Europe, in application of Article 8 of its regulations, as long as democracy and human rights are violated there.

Information direct from Turkey confirms this judgement. It shows that nothing has improved since the vote on the constitution was obtained in conditions of scandalous constraint. Certainly we know that legislative elections are scheduled for October this year, but the military junta is actively preparing a law on political parties and an electoral law, the contents of which are easy to predict. And quite recently, the junta informed people that it was in fact preparing 85 laws on public life which are to be promulgated before the elections — which means that everything will be cut and dried in advance for the future parliament. We know — to take only a few examples — that the under-21s will not be allowed to join a political party and neither will civil servants, teachers or students and that union leaders will not be able to become MPs or lead political parties. The bill on the trade unions, the contents of which have been leaked to the press, apparently says that anyone wishing to be voted in as union leader has to have 10 years' experience as a worker and may not be re-elected more than three times. A state commission will be ensuring financial and administrative control of the unions and strikes will be strictly regulated and in proper form.

In addition, at this very moment, repression is continuing. There is endless torturing of prisoners, arrests on a massive scale, legal proceedings against associations, violation of the right to defence and press censorship. In the case against the union DISK in which hundreds of militants are involved, there are now 65 instead of 52 applications for the death penalty. The peace-movement case is continuing, in spite of the fact that

Frischmann

the leaders have had to be released due to international pressure. Quite recently, there has been a great purge in the university and top professors and well-known specialists have been removed. And lastly, the leaders of a number of political parties have been given heavy prison sentences.

Many hours would be inadequate to list all the facts, which should be condemned out of hand, particularly in the case of a country that is associated with the EEC and is also a member of the Council of Europe.

So we are in favour of making a firm stand, as the parliamentary affairs commission of the Council of Europe has done. And if we are pleased at the suspension of the fourth financial protocol of the EEC-Turkey cooperation agreement, we are also in favour of maintenance of this suspension and we should like to have some response on this today. France, Denmark, the Netherlands, Norway and Sweden have made identical requests to the European Human Rights Commission. Answers and conclusions have to be produced — and quickly. Here again, we should like to be told what the intentions are in this field, for the honour of the homeland of Nazim Ikhmet, the whole of the Turkish nation and its courageous workers movement.

Mr Glinne (S). — (FR) Mr President, Mr President-in-Office of the Council, honourable Members, last February the President-in-Office said at Question Time that in view of the fact that the situation in Turkey was to be discussed by the Foreign Ministers of the 10 Member States of the Community at their meeting on political cooperation on 1 March 1983, he would be in a position to give a fuller answer to this question at the next part-session and he undertook to do this. This is what we are asking him to do today.

Although we note the result of the referendum of 7 November 1982 and the fact that the Turkish authorities propose to hold elections next October, we still think that only an overall assessment of the democratic validity of these elections and attendant progress towards the re-establishment of freedom of the press and total respect for human rights will enable us to judge whether Turkey really is returning to democracy. It is not enough merely to adhere to a timetable and hold elections. Real democracy has to be injected into the draft electoral legislation and the legislation on political parties in total respect for fundamental human rights. There must also be no more imprisonment for political reasons, there must be a complete end to all the political proceedings now in progress. And newspaper bans, legal proceedings and intimidation of journalists have to stop. Here I am thinking particularly of a recent flagrant example, involving the paper *Cumhuriyet*. And there is another example. What are we to make of the sacking of several hundred professors and lecturers from the Turkish university?

My two colleagues before me rightly referred to the complaint made by five members of the Council of Europe, the bilateral agreement recently concluded between German and Turkey and the reaction that should follow the quite justified suspension of the fourth financial protocol of the EEC-Turkey association agreement.

An answer is needed to all these questions, Mr President-in-Office of the Council. We, for our part, have not tabled a motion for a resolution — but this was precisely because we wanted to hear what you had to say before reacting ourselves.

Mr Genscher, President-in-Office of the Foreign Ministers. — (DE) Thank you very much, Mr President. I am keeping the promise I made to Mr Arndt that I would not leave the floor entirely to him after 6 March, but go on working with him.

I will begin with Question No 0-171, which raises a number of specific questions on the situation in Turkey. As I announced during the last Question Time, the Foreign Ministers meeting in Political Cooperation had a provisional exchange of views on the situation in Turkey at their meeting in Bonn on 1 March 1983, without going into detail. The questions put by the honourable Members were not discussed on this occasion. The Ministers decided to hold in-depth consultations at a later date, during the German Presidency, with a view to adopting a joint position of the Ten. The Presidency is willing to inform the House of the outcome of these deliberations.

As regards Question No 0-90/82, which concerns the problem of a Turkish application for membership of the Community and the question of the ratification of the fourth EEC-Turkey financial protocol, I am able to say the following on behalf of the Ten: there is no reason to discuss an application from Turkey for membership of the European Community until such an application is made, and it has not yet been made.

The underlying principles of the Treaties and the obligations the Treaties impose on the Member States are generally known. These principles were clearly enounced in the Joint Declaration on basic rights by the European Parliament, the Council and the Commission of 15 April 1977 and in the declaration on democracy adopted by the European Council on 7 April 1978. In the latter declaration the Heads of State or Government reaffirmed their desire to ensure that the principles of representative democracy and of the law, social justice and human rights are respected.

As for the fourth EEC-Turkey financial protocol, I would refer you to the statement by the President of the Council during the European Parliament's July 1982 part-session and to the decision taken by the Council of Budget Ministers on 22 November 1982. In their assessment of the human rights situation the

Genscher

Ministers will, of course, consider all the available information.

The reason why the Ministers did not discuss the situation in Turkey in detail on 1 March was certainly not that they did not regard this as an important item or that time was short: they hope that those in power in Turkey will use the next few weeks to make some progress, particularly with regard to the legislation on the holding of elections and so on. We shall then have an opportunity of considering developments in depth on the basis of all the information available and of making an assessment of these developments. As I have said, I shall then inform the House of this assessment if it so wishes.

(Applause)

Mr Haferkamp, Vice-President of the Commission. — *(DE)* I should like to comment on Question No 0-99/82. It is true that Turkey's Economics Minister, Mr Pasin, visited the Commission on 23 September 1982. Mr Pasin wanted to make contact with the Commission to discuss topical questions of mutual interest, with particular reference to Turkish exports of textiles to the Community and certain agricultural matters. On that occasion he also provided some information on political developments in Turkey at that time. The Commission took this opportunity to express its concern and its desire that Turkey should waste no time in restoring parliamentary democracy and that it should respect human rights, a point that the Commission has made on every possible occasion.

The Commission's position on financial aid to Turkey and specifically on the fourth financial protocol remains that repeatedly described to the House in the past. Mr Pasin was also told this during his visit.

Mr Hänsch (S). — *(DE)* Parliament's position is clear: despite a wide variety of views on individual aspects of the case, we requested in July 1982 that financial aid be resumed only after steps had been taken to restore democracy in Turkey. The President of the Council announced in a press conference that the Council would review its position in May or June. On what do you in fact base your optimistic view that the situation in Turkey as regards the freedom of the press, trade union rights, the freedom of political parties and respect for human rights will change substantially by May or June of this year?

I believe you are evading a clear assessment of the present situation in Turkey and a clear condemnation of the violations of human rights that are still occurring there. We Socialists do not think it is enough to keep to a timetable and to pass laws. It must also be evident how these laws are enforced in practice and whether the timetable is actually used to ensure that steps are taken to restore democracy in Turkey. In this light

alone can an assessment of what is happening in Turkey be made, and elections must also be held in the autumn of this year. Only then can it be decided whether a resumption of financial aid should be considered. That was the decision we took, and we stick by it.

We would have liked to see the Council generally abiding by the tough and unequivocal line adopted by the Danish Foreign Minister, Kjeld Olesen, in Parliament in the summer of last year.

Mr von Hassel (PPE). — *(DE)* We are again discussing Turkey, and the criticisms being voiced this afternoon have not changed. What Turkey's provisional government has done since it came to power is brushed aside and is certainly not appreciated. No one takes the slightest interest in the fact that the generals have so far been meticulous in keeping to the timetable. It is forgotten that it is generally held that 12 September was the consequence of the total failure of the democratically elected politicians who had previously been in power. Not a word is said about death sentences being imposed only for murder or about torturers being prosecuted for the first time in Turkey's history. It is not realized that trade unionists are on trial not for their trade union activities but for other, terrorist acts.

All sides of the House agree that the goal must be the restoration of democracy, of human rights and trade union rights, of the freedom of the press and of genuine, sound foundations for the political parties and the politicians. But we differ over how this is to be achieved.

In 1960/61 and 1972 the Turkish military felt compelled to take over the government — not to seize and retain power, but to put an end to a situation similar to a civil war, with extremist parties fighting each other without quarter. As everyone knows, they handed over the reins of government to the political parties once the chaos had ended. When they had to intervene in 1980, because, as everyone admits, the parties and the politicians had again failed, their previous experience led them to order a new constitution to be drawn up, one which must prevent democracy from failing a fourth time.

The safeguards which have now been installed may go too far in one way or another. After the politicians's total failure, which no one denies, the provisional government decided that democracy should be restored without these politicians. Experts have now established that both the constitution and the laws that have been proposed meet the requirements of democracy. They also lay the foundations for the new parliament to fill existing gaps after the October elections and for the removal of excessive safeguards.

If we compare constitutions, we must admit that Western European standards cannot be applied in Anatolia,

von Hassel

that Turkey is the poorest of the 24 OECD countries, that it nonetheless has the only democratic constitution in the whole of the Islamic region and that apart from India no other OECD member country has developed a democracy.

The mentality of the Turks must also be appreciated. They are proud, and they do not want others telling them constantly what they should do and what they should not do. Anyone who knows this and still tries to tell them what to do is being counterproductive and, in my view, utterly foolish. The West must take Turkey seriously in this respect particularly. But Turkey must also consider the doubts expressed here more carefully than it has in the past. We are all equally sensitive to these questions of basic rights.

Mr Genscher, President-in-Office of the Foreign Ministers. — (DE) Mr President, I should like to say a few words in reply to Mr Hänsch.

Mr Hänsch, I am sure I am right in thinking that you are not holding the Council responsible for the situation in Turkey, but that you are more concerned with procedural matters. You asked, for example, what reason I had for my optimism that the situation in Turkey will be better in May. You also criticized us for not discussing the matter at this stage. Our consideration of developments regardless of deadlines should not, I feel, lead you to assume that we believe there will be an improvement simply because we have agreed to discuss the matter in May or June. All we are saying is that we will discuss it.

I must reject your assumption that we have departed from the position which the Danish Foreign Minister adopted here on the Council's behalf. As we have not changed our minds, the position announced here still stands. That is surely quite normal in politics.

Mr Spicer (ED). — I come to this debate prepared with only one fact and that is that I happen to have known Turkey and to have been to Turkey before 12 September 1980 and to have seen the mess that politicians on all sides in Turkey made not only of their own affairs, but also of the lives of people in Turkey. May I say to Mr Haferkamp — because he, I know, knew Turkey well at that time — that we can sit here until the cows come home talking about a return to democracy and a return to human rights. Anyone who believes that what was going on in Turkey before 12 September 1980 gave any human rights to any one in Turkey other than to those people — the thugs of the left and of the right — who were pouring in upon the people of Turkey and destroying any hope of democracy, is living in cloudcuckoo land. Sir, I know you are a realist and I know you would not wish us to live in cloudcuckoo land.

I have listened to this debate this afternoon and I have had heard all sorts of speeches and, if I may say so,

many of them, with the notable exception of Mr von Hassel's, are based upon so-called information which bears no relation to reality.

Could I just say a word to Mr Israël? There he is talking about 1915 and asking why do we not go back to and why do they not admit the wrongs of 1915. Frankly, 1915 is a long way behind us and I am more interested in 1983 and 1984 than I am in 1915. Mr Israël talks about the rights of the Kurds. Mr President, in this Parliament we gave the gold medal of this Parliament to Kamran Inan who was Turkish ambassador to Switzerland, and who has now gone back to lead a political party in Turkey. A Kurd, he will probably be the next Prime Minister of Turkey, or very senior in Turkish affairs. Why on earth he is being deprived of his rights. I do not really know. Of course, Mr Frischmann speaks with the usual arrogance that one expects from that side of the House in claiming to speak for the whole of the Turkish people. All I can say is that he speaks for a miniscule part of the Turkish people because they, above all else, want peace and security, and that is what they have got at this particular point in time.

Mr Glinne, I have already mentioned that I think you spoke wisely because you have been around in this game for quite a long time. But could I say once again that there was no democracy before September 1980 and anyone who could wish a return to those days is really pushing the Turkish people back into the past.

What we have to do is to make a fresh start. I would appeal to every one here who is of goodwill. But there are those, of course, who do not want anything to succeed in Turkey. They are well known and we can point them out quite easily by the way in which they speak and the way in which they operate. But to those of us of goodwill who want to see democracy re-established, all I would say is that there has never before been a military regime which forewarned the politicians three times before it came into power that it was taking power and is now moving back towards a democratic institution and a democratic structure. All I would say is that if we in this Parliament are not prepared to give the new Turkish democracy that will emerge after the elections in November a fair chance, then we deserve to be discarded and our views disregarded by the people of Turkey, and indeed by many other people, Sir. One could talk about other places like Zimbabwe, but this is not the occasion.

I hope we have seen the end of all these constant debates which are directed towards destroying any hope of Turkey seeing democracy again. I hope we will give our full-hearted support, providing they stick to the timetable. I hope, personally, they will go on bringing to trial those people who were responsible, on the right and on the left, for the terrorist actions before 12 September 1980.

Mr Nikaolaou (S). — (D) Mr President, I was in the Chair last month when Mr Genscher answered Mem-

Nikaolaou

bers' questions. I should like to ask him a specific question because he has not reacted to Mr von Hasel's speech. Would I be right in saying that the gist of your statement was that the atrocities of a dictatorship could not be justified by the situation which had previously prevailed in the country concerned? Do you stand by this statement?

Mr Genscher, President-in-Office of the Foreign Ministers. — (DE) I am not quite sure if I put it that way, but that is my opinion.

Mr Ephremidis (COM). — (GR) Mr President, we consider it a matter for regret that in this new debate on the situation in Turkey some colleagues, fortunately a few, have again seen fit to concoct a case for the odious martial-law regime which has suspended all individual and collective rights and has embarked on an orgy of terror, executions and torture.

Mr President, I want to remind the House that the day before yesterday the Foreign Minister of this regime announced that 18 individuals were recently hanged and that another 87 under sentence of death are due to be hanged. Of course, the pretext will always be that these people were terrorists, indeed terrorists who committed their acts before this regime came to power. This retroactivity contravenes hallowed principles recognized by the whole civilized world. Mr President, we also consider it a matter for regret that Mr Genscher, at least in the replies he has given so far, has avoided saying categorically that the freeze on all payments of aid to this regime will remain in force. He has spoken optimistically about some sort of timetable for elections, about the adoption of some sort of constitution and about legislation paving the way for elections. But which elections and which legislation, Mr President, since — in the final analysis — there are implementations of the selfsame constitution which, from beginning to end, does nothing other than refute precisely what everyone understands and deems to be democratic? Legislation based on such a constitution will be that . . .

President. — Mr Ephremidis, your speaking time is up.

Mr Beyer de Ryke (L). — (FR) Mr President, honourable Members, when we talk about Turkey, whenever this country is mentioned, we are faced with truths — paradoxical truths. When I listen to some of my fellow MPs, Mr Israël in particular, I agree that there is a kind of state terrorism in Turkey. It's true. But it is also true that this state terrorism has done away with terrorism in the streets.

And it is also true that in Turkey justice is not done in the fair and peaceful manner that it should be. I was present at the trial of Colonel Turkesch as well as at

the Devsol trial and it is true that if is not right, it is not fair, it is not justice that those who have killed and those who have merely distributed tracts should sit together on the same bench and receive the same prison sentences. The nature of their crimes is different — if crime is the word for distributing tracts.

The third truth is that the constitution is manifestly anti-democratic. But the constitution — and it is not obvious enough to us because people have claimed the opposite — was voted through democratically. I was there, on the spot, with socialist representatives, in particular, Mr President, with a Dutch socialist MP, and we noted that, technically speaking — I stress technically speaking — there were no irregularities in the voting procedure. But having said that, the Constitution itself is completely anti-democratic.

Those, Mr President, honourable Members, are the paradoxical truths that we are faced with when we talk about Turkey.

Foreign Minister — for I believe, Sir, that you intend to serve as Foreign Minister in the next government too — when you next meet with your colleagues you must display both firmness and moderation. You must bear in mind that Turkey is a country torn between east and west, geographically, politically and from a religious point of view. It is threatened both by Khomeinism, the Islam of Khomeini, and Marxism. This means that the Turkish authorities must be told firmly: 'You must return to the maximum democracy possible in the circumstances'. But, Turkey must not be chased out of Europe. To do this and to see that tomorrow it goes Marxist is no doubt what some in this Parliament would like. But it is not what the majority of the Members of this Parliament want and the elections in your country, Mr Genscher, and in France, honourable Members . . .

President. — Mr Beyer de Ryke, please finish with Marxism.

Mr Beyer de Ryke (L). — (FR) Finish with Marxism? Oh Mr President, if only it were that easy, believe me I would. But thank you anyway!

(Applause)

Mr Vandemeulebroucke (CDI). — (NL) I wish to endorse what has been said by those who initiated this debate who rightly argued that any financial aid by the European Community to Turkey should be frozen until such time as respect for political and civil liberties is re-established.

May I be permitted to draw particular attention to the dramatic situation of the Kurds which was touched on by Mr Israël but not mentioned in either the Council's or the Commission's reply? Since the 1923 Treaty of

Vandemeulebroucke

Lausanne the Kurdish people have lived scattered over four states; six million Kurds live spread over Iran, Iraq and Syria; another six million live in Turkey where they are called 'Hill Kurds'. The Turkish junta wages the most relentless repression against them. They are completely denied their right to their own language and culture. The Kurdish script is banned, books are destroyed and all Kurdish associations are outlawed. The social situation of the Kurds is absolutely unimaginable. The average expectation of life is 40 years; child mortality is 20%; the average annual income is under 100 dollars and most Kurdish villages have neither running water nor electricity. Dozens of members of the Kurdish Workers' Party are under arrest and two-thirds of the Turkish army are based in Kurdistan.

The Turkish junta makes no secret of its intention never to recognise the Kurdish people. Junta member Turan Günes declared literally in a Council of Europe meeting on 12 May 1981, 'you may defend the Kurdish people, but the Turkish army, the most powerful army in the Middle East will continue to resist them'.

Away back in April 1981 I drew attention to this frightening situation of the Kurdish people and on that occasion some political groups felt that it was better to condemn Turkey in general terms rather than speak on so-called partial problems in Turkey. I believe that we can no longer turn a blind eye to the situation in Turkish Kurdistan, and I refer to Mr Glinne's statement on a global solution. In addition to this repression which is characteristic of any military dictatorship, deliberate genocide is being practised on this people and that is why I took the liberty of tabling a motion for a resolution in this debate urging that special attention be paid to the repression of Turkish Kurdistan.

Mr Romualdi (NI). — (IT) Mr President, ladies and gentlemen, our Parliament has often taken an interest in Turkish affairs, out of proper concern for what is happening in that great country, that has so many ties with the Community. Recently it approved a report from Mr von Hassel, who has today again confirmed his views, with ample supporting details of present conditions in Turkey — namely the process by which the present Turkish Government proposes to restore democracy, and the ideal conditions that would allow the EEC to renew its relations with Turkey, authorize the fourth financial protocol, re-open consideration of Turkey's request for membership, and discuss together the various joint problems that are awaiting discussion, starting with Cyprus which, if I am not mistaken, was not brought up by the present Government of the 'coup d'état' generals, for whom I have no liking whatsoever, but by the democratic government that preceded them.

For this reason I do not understand — or rather, I understand only too well — the reasons behind these

questions that seem so concerned about things with regard to which the Council and the Commission had already expressed their opinion, and which they have today re-confirmed through the statements of Mr Genscher and Mr Haferkamp, precisely in the sense hoped for by those putting their questions — and obviously by all of us, including myself, jealous as we are of all the liberties, and all human rights, in Turkey as in any other part of the world. But it is precisely because of this that, with a greater sense of responsibility, we are prepared to wait for the process of democratization in Turkey to run its course without too much hysterical, propagandist speculation, especially on the part of those who are notoriously sympathetic to regimes in which democracy and the respect of liberty and human rights are mere hearsay, and whose aim is not so much to restore liberty and democracy in Turkey as to bring about a return to the terrible, ruinous situation that existed previously, with the parties running a so-called democracy that led to nothing but civil war and the most savage massacres, and the suppression of all rights except the right to be slaughtered democratically, all of which is far worse than anything happening today.

Mr Plaskovitis (S). — (GR) Mr President, we have received no substantive reply, even today, to the oral questions which I and other colleagues in the Socialist Group have laid before the President of the Council of Foreign Ministers concerning the internal situation in Turkey and the need to continue with the freeze on all financial aid to the military regime. We feel compelled, therefore, to remind the House of several of the basic provisions of the new Turkish constitution on which it seems some people are pinning their hopes of a return to democracy in Turkey.

Firstly, the constitution forbids any assertion that laws enacted by the Turkish junta are unconstitutional, just as before the vote on the constitution any criticism of its provisions was forbidden, and is still forbidden to this day.

Secondly, political parties which recognize the existence of social classes are prohibited under articles 5, 6 and 13 of the constitution. All political parties are obliged to subscribe to the beliefs and tenets of Kemal Atatürk as their only basis of principle.

Thirdly, the constitution prohibits more than 100 persons, including all former political leaders except one, from participating in political life and in the future elections, and likewise prohibits all former political parties.

Fourthly, under article 13 of the constitution basic rights and freedoms may be curtailed to safeguard the integrity of the state, democracy, public order, public morals, public health, etc.

Fifthly, the constitution prohibits any politicization of the trades unions and these are thus obliged to remain

Plaskovitis

outside the political and ideological activity going on in the country. Article 54 of the constitution prohibits strikes which threaten the national economy, and secondary strikes, general strikes and the occupation of work places are likewise prohibited. The resources and expenditure of trades unions are to be audited by the state, and deposition of their subscription funds in state-run banks will be obligatory.

Sixthly, under article 33 of the constitution any category trade union may be dissolved in order to prevent crimes against national tranquility or to safeguard public order or morals. As confirmation of these 'democratic' provisions of the new constitution two leading newspapers were recently closed down for 24 days and two journalists sentenced to several months imprisonment.

We restrict ourselves, Mr President of the Council of Foreign Ministers, to listing just those few provisions of the new Turkish constitution, and we are curious to learn how those who are committed to a favourable re-examination of relations between the European Community and Turkey after the forthcoming elections can reconcile their democratic consciences with their hopes of a future return to democracy in Turkey. What do they expect from these elections and from the respective laws being prepared by the Turkish junta? We are genuinely curious about this, Mr President of the Council of Foreign Ministers.

President. — Before calling Mr Bournias, I have a statement to make.

I have received from Mr Vandemeulebroucke and others a motion for a resolution with a request for an early vote, to wind up the debate on Mr Israël's question.

The motion for a resolution has been distributed as Doc. 1-1377/82. The vote on the request for an early vote will be taken at the end of this debate.

There are no further motions for resolutions as those which were tabled have been withdrawn.

Mr Bournias (PPE). — (GR) Mr President, protestations in support of democracy and human rights such as those voiced in our Chamber by the previous speaker, my compatriot Mr Plaskovitis, by Mr Glinne — we belong to different parties — and by Mr Israël, are to be applauded. Unfortunately, however, there has been criticism, and views have been expressed which ought not to have been heard at this time. I will not seek to defend the questioners, Mr President. They do not need me to defend them, or my arguments. The 20 signatories belong to various political factions and have differing nationalities, but they stand in agreement in their loyalty to democratic principles.

My intervention is in protest at what was said a short while ago by Mr Spicer and other colleagues aimed at nullifying our resolution of 8 July 1982 on the grounds that, in accordance with the plebiscite that has taken place in the meantime, elections are due to be held in October. Those who hold to this line of argument underestimate our understanding of the situation given that, only the day before yesterday in Turkey, 4 more lecturers at the School of Political Sciences in Ankara were dismissed by order of the military authorities. The number of dismissed lecturers has reached 220, and a law has been passed hindering the involvement in politics of judges, state prosecutors, public employees and of any citizen with a political history inimical to the political line of the present government. We must say clearly and flatly that the democracy being prepared by the Turkish military junta bears no relation to the democracy of the ten EEC countries and of all the other countries in the free world.

(Applause)

This view is held by all of my colleagues in the New Democracy Party, and in whose name I speak. The subject of Turkey has, in any case, become like a serial which returns to prominence every so often to wear us out and show us refuting our own principles. Unfortunately, the President of the Council has said he will return again to the matter. The only comforting reply was that of Commissioner Haferkamp who told us that the Commission is standing firm with regard to the freezing of the financial protocol.

Mr Pannella (CDI). — (FR) Mr President, let us have no illusions. The Ten — and I mean the Ten — and, with respect for our President-in-Office of the Council who is here today, Germany and Italy above all, have increased their dealings, their filthy dealings, with Turkey since the junta imposed its barbaric methods. This we know. It is the result of relations between foreign ministers in Germany and Italy. Arms supplies and all the rest of it.

We are talking about principles at the moment. Well, the question of principle is to know whether we, the European Community, should place ourselves at the same ignoble level as those who created the apparent necessity for this junta, that is to say the soldiers who, under the democratic regime, refused to fight terrorism and who, as in Italy, displayed solidarity with the terrorists. In Italy, they went as far as the assassination of Aldo Moro. We now know that the Italian colleagues of the Turkish soldiers, in their criminal association, the heads of the forces and secret services, made themselves allies of the terrorists so that they might carry out in Italy the same kind of coup that succeeded in Greece a few years ago and which succeeded in Turkey . . .

Mr Romualdi (NI). — (IT) That is just stupidity!

Mr Pannella (CDI). — (FR) For you, Mr Romualdi, it is no doubt stupidity. But it is the kind of stupidity that you, as a fascist, were guilty of thirty years ago.

(Applause)

Mr President, all I wanted to say was that we know perfectly well where this fourth protocol affair is leading. Under the third protocol, the Commission and the Council spent quite long enough continuing their economic cooperation with these generals, these assassins and murderers, and helping them for us to know what to expect.

So, Mr President, I should like to see Parliament choose between the position of the EPP and Mr von Hassel, Mr Rumor and the Italian christian democrats obviously and the Nea Dimokratia which, for once, has spoken in this House in the name of all those who are ashamed that the Community has not behaved towards Turkey as it behaved towards the Greek colonels, for the simple reason that the Turkish military are important in NATO and in our business circles. In reality, we are curtailing liberty and democracy in Turkey by proxy.

Mr Pesmazoglou (NI). — (GR) Mr President, the holding of a plebiscite on a constitution, or even the holding of elections, under conditions of duress does not constitute restoration of democracy or of respect for human rights. This was the view held by the Greek people during the dictatorship in Greece, and in their struggle against the dictatorship the Greek people placed a high value on the support given by the European Community and particularly by the European Parliament. Is this principle being abandoned? I would like a reply on this from the President of the Council of Ministers.

My second point, Mr President, concerns those colleagues who maintain that criteria applicable in European countries cannot possibly be applied in Turkey. Turkey is a member of the Council of Europe. Is it conceivable, therefore, that these criteria should not be applied in that country? If that is their position then other conclusions need to be drawn about relations between Turkey and the European Community.

My third point, Mr President, is that in 1974 Turkey carried out a military invasion of the free state of Cyprus, and continues to occupy a large portion of Cypriot territory. About 40% of Greek Cypriots are refugees. In proportional terms this corresponds to 110 million people out of the 270 million people in the European Community. Is not this a contravention of human rights?

Mr President, if these fundamental principles are disregarded, if their importance is underrated or made light of, then I am afraid that the international credibility of the European Community will be seriously

damaged, and our capacity to influence world affairs will be weakened.

Mr Kyrkos (COM). — (GR) Mr President, we must make it very plain in this House, and through Parliament to the peoples of Europe, that the line being followed by Genscher is causing all of us anxiety. It will be the height of hypocrisy if the Community, which has respect for human rights as its foundation stone, restores its relations with Turkey and gives legal approval to the military regime.

Mr von Hassel gave us a measure of this hypocrisy. He told us: 'the Turkish constitution condemns torture'. However, not even Mr von Hassel can claim that torture is not practised in Turkey today by the regime itself — we all know it is. Fellow Members, in the years since the war we Greeks alone have had the dubious privilege of learning what 'martial law dictatorship' really means. And listen to us, the elections were crooked, worse than the elections under Papadopoulos, and the constitution you praise, Mr von Hassel, is a straight copy, a foolish copy, of the Papadopoulos constitution, and for all that you still want to persuade us that this Parliament — which is supposed to be the representative body of Europe — should support the wretchedness that goes on in that country.

Mr Genscher, following your speech, I very much fear that it is no longer a question of whether the Community's relations with Turkey should be changed. The question at stake is whether the European Community is really able to have the defence of democratic freedoms as its foundation, or if we shall release the Community from this obligation that binds us all in order to turn it into a bastion for American military interests. Some people have said: 'but this is what Etcevit wants as well'. Forget about that. We must give the greatest possible help to the Turkish patriots and democrats, and they know for themselves how to behave and what to do.

Mrs Ewing (DEP). — Mr President, the Highlands and Islands Association of Amnesty International have decided, along with people in all parts of the world, to take up the case of Mahmut Dikerdem, the President of the Turkish Peace Association, and it is on his behalf that I make a plea today. In making a plea for him, I am also making a plea for the whole situation that has been the subject of this debate.

Mr Dikerdem is 67 years of age. He was appointed President of the Turkish Peace Association after serving his country, Turkey, for 40 years with total honour and speaking for Turkey in all international associations throughout those 40 years.

The Turkish Peace Association and all its members now imprisoned have never been accused of a violent act. They are a democratic movement and there is no

Ewing

suggestion, even by the present holders of the governmental office in Turkey, that any of them have been violent. Yet Mr Dikerdem was released after 10 months in such circumstances that at any minute he can be put back into prison again.

In his own words, which I have from him:

The Turkish Peace Association was formed in accordance with the Helsinki Act which terminated the Cold War and ushered in a period of international relaxation, international trust and international cooperation.

As long as men of the calibre of Mr Mahmut Dikerdem, who must be known around the world for his diplomatic activities, is treated in this way, this Parliament must be critical of a regime that would mete out such treatment to an individual or his movement. In mentioning him, I am really, as I have said, supporting all the voices which have spoken up in this debate. There is mounting agitation, not only in this Parliament but also in the US Senate.

Mr Fich (S). — (DA) Mr President, I should like to begin by thanking Mr Genscher for giving answers during the course of the debate, and I hope also that Mr Genscher will give answers at the close, for I now wish to put three questions:

Firstly, I should like to know why we should take up the situation in Turkey for examination again in May-June instead of waiting till after the elections in October. Does it have something to do with the end of the German Presidency that we should take it up in May-June instead of waiting till the elections in Turkey have taken place — which would have been the logical course to follow?

Secondly I should like to ask Mr Genscher: is it not fairer to look at the practical conduct of political work in Turkey rather than merely the question of electing a parliament as such? Indeed it is important to me to know what rights that parliament has. What is the practice of the police, and what is the practice of the courts? How is the law on political parties applied? These things seem much more important to me, and I should like to have confirmation from Mr Genscher that it is not the formal process of electing a parliament but the real circumstances that should be the deciding factor.

Thirdly, I should like to ask Mr Genscher to confirm that there will not be a meeting at ministerial level in the Council of Association between the Community and Turkey. I do realize of course that the need may arise in specific areas, and that meetings may take place at ambassador level on a concrete problem, for example textiles. But I should like to get an assurance that there will be no consultation at ministerial level.

Mr Van Minnen (S). — (NL) Mr President, we are debating at length a very important question and I wish to ask a question on the Community's alleged attitude, claimed again by the President-in-Office of the Council, Mr Genscher, to the present Turkish regime. An aloofness in official contacts, as outlined by Commissioner Haferkamp, a reticence which is necessary but which must remain convincing. Now — and that is my question — what real good is this proclaimed attitude when I look at this visitor's programme in my hand by the European Commission for the Dean of the University of Ankara, Mr Yahya Tezel, a man who is reported to have 'purged' the university world in Ankara 'of all progressive elements'. What about this warm welcome, Mr Haferkamp, at the Commission in Brussels, on today of all days, what about the reception of such a brainchild of the junta — one is tempted to say of such a member of the Chamber of Culture — how does the welcome extended to such a person tally with your claimed aversion to the Turkish junta?

Mr Genscher, President-in-Office of the Foreign Ministers. — (DE) Mr President, before I answer the questions which concern the Council, I should like to make a general statement on the reasons for holding a meeting of the Council in May and June. The Council feels that it will then be time to consider developments in Turkey again, not formal but actual developments. I do not think that the Council should be criticized for considering the situation in Turkey so that it can voice its opinions.

Another question was whether the Association Council would be meeting at ministerial level. As I said during the last Question Time, this will not be the case. It will meet at ambassadorial level. Do we consider it decisive that the parliament should formally sit? It depends on the circumstances in which the parliament was elected. If we believe it is a real parliament and not a sham one of the kind that exists all over the world, if it is a real, democratically elected parliament, we shall be able to say that progress has been made. I was also asked if we are discussing the practical situation in Turkey. Yes, we are. I mean this, for example, when I say that not only the formal act of election but also the actual circumstances in which a parliament is elected must be considered.

I should like to say to Members who have spoken from various sides of the House that the Council has observed developments in Turkey with very great interest and concern, both at the time immediately before democracy came to an end and — albeit for different reasons — since the military has been in power, and we have all endeavoured in our own way to facilitate Turkey's return to democracy.

I do not think there can be any doubt among democrats — not only because it says so in the Treaties of the European Community and in our constitutions but

Genscher

also because it is our conviction — that all peoples have a right to live under democratic conditions, and that is why we are interested in seeing Turkey return to democracy. No one should be accused of having other intentions. Everyone will have his own views on how Turkey can be helped to develop in the desired direction, but there can be no difference of opinion among democrats that we are pursuing this goal together.

I would add that no mistake by a former government can excuse violations of human rights by the present government. And this goes for any country in the world. What do you mean, why did I not say that straight away? I said so just now, and that was also the gist of what I said recently. But I will willingly say it again. No mistakes in Turkey and no violation of human rights in Turkey can be excused by saying that human rights are violated in another country. On this too, we surely all agree.

Nor is there any excuse for condemning certain countries where human rights are being violated while maintaining silence on others.

(Applause)

Mr Haferkamp, Vice-President of the Commission. — *(DE)* This is the first I have heard of a university delegation from Turkey being in Brussels. I know nothing about this.

President. — The debate is closed.

We shall now consider the request for an early vote on the motion for a resolution (Doc. 1-1377/82) by Mr Vandemeulebroucke.

(Parliament rejected the request for an early vote and referred the motion for a resolution to the competent committee)

4. Uniform electoral procedure

President. — The next item is the oral question (Doc. 1-1137/82) by Mr Seitlinger and others, on behalf of the Group of the European People's Party (Christian-Democratic Group) to the Council.

Subject: Uniform electoral procedure

Is the Council willing to take the necessary steps to reach a decision as soon as possible on a uniform electoral law based on the draft Act adopted on 10 March 1982 so that it can enter into force before the next elections to the European Parliament in May-June 1984?

Mr Seitlinger (PPE). — *(FR)* Mr President, Mr President-in-Office of the Council, the treaties empower the European Parliament to draft a uniform electoral law. We have done this. On 10 March 1982, we voted by a near two-thirds majority a text which was forwarded to the Council.

I was also invited to tour the capitals of Europe by the Bureau of Parliament and this was an opportunity to meet the ministers concerned, the presidents of the national parliaments and the chairmen of the parliamentary groups. I found there was a broad consensus on the majority of the provisions — with the exception, it is true, of the problem we all know about. We are therefore surprised to see such a hiatus between the near consensus in the Member States and the failure to act in the Council.

Need I remind you that the text covers three main subjects, but that the focal one, the one on which the two others hinge, is of course the electoral system proper? The second question is Article 5 on the right to vote and the right to stand for election and the third is the date of the 1984 elections.

On the first point, the electoral system, the Council has done no more than record a failure to act. It virtually ignored the question and then went in for a thorough investigation of the second point, voting rights, which is a kind of alibi for not being able to reach agreement on the essential issue. And lastly, it proposes a decision on the third point, the secondary issue of dates.

Mr President-in-Office of the Council, the latest date is obviously 30 June 1983 if we want a uniform electoral law for the second direct elections to this Parliament. Consequently, the direct responsibility for this is on your shoulders and you have to redouble your efforts to try and get the Council to reach agreement, because if you have to record failure to act or reach agreement, then you will be taking considerable responsibility for an issue which in the light of history will appear derisory.

I agree with the energetic protests of President Rumor, who said in Brussels two weeks ago that it was unbelievable and unacceptable for the Council to fail to grasp the historic significance of the second direct elections to our Parliament under a uniform electoral law. I wonder how credible would be a more ambitious project — and one which bears your name, Mr Genscher — were you unable to agree on this point. That is why you have to rediscover the enthusiasm of the founding fathers of Europe and why, going beyond the Council, we are appealing to our colleagues in this House to get their national parliaments moving.

At the very least, the Member States (and there are six out of the Ten which in any case have to legislate before the next elections), must bring their national

Seitlinger

laws into line with the text we voted on 10 March 1982.

So, in the name of the various groups, we have tabled a motion for a resolution, which will be put to the vote and in which we ask the Council to make a fresh effort to start the conciliation expressly provided for in Article 13 of the Act of 20 September 1976 and that it is not solely concerned with secondary questions, but with the vital issue of the electoral system proper.

Mr Genscher, President-in-Office of the Council. — (DE) Mr President, ladies and gentlemen, the Council again considered the question of the establishment of a uniform electoral procedure on 21 February 1983. Activities in the Council as a whole have made it possible for a broad consensus to be achieved on a number of the articles proposed. These articles were accepted either as they stood or after some amendment. However, it proved impossible to agree on a number of essential points, with which various Member States have genuine problems.

I will mention just two of these points, which are very important. First, there is the principle of proportional representation and the methods used, on which several of the articles proposed in the European Parliament's draft are based, and second, the right of all nationals of Community Member States to vote and to stand for election. Consequently, the Council has asked itself whether, in view of the different procedures which must be applied at national level, an Act laying down a uniform electoral procedure can be adopted in time for the next elections in 1984. The introduction of a uniform procedure, as specified in the Treaty, is naturally still the goal. The Council intends to continue its work in this area. Like the European Parliament, the Council wants all nationals of the Member states resident in a Member State to be able to take part in the election of the Members of the European Parliament, even if, as the outcome of the Council's deliberations has revealed, it is not certain that all nationals of the Member States without exception can be given the right to vote. The question of voting rights for nationals of Member States living in a Member State other than their own was discussed at length at the Council's meeting on 21 February 1983. Since then work has continued within the Council. The Council will be considering this matter again at its next meeting on 14/15 March. During the meeting with the Bureau of the European Parliament on 24 January 1983 it was agreed that, before the Council took its final decision, the question raised by the honourable Members should be discussed with the European Parliament.

Mr Schieler (S). — (DE) Mr President, ladies and gentlemen, I should like to associate myself with Mr Seitlinger's critical appraisal. I am able to say on behalf of the Socialist Group that we support this motion for a resolution.

On 21 February 1983 the Council decided the second direction elections to the European Parliament should take place from 17 to 20 May 1984. This decision, which only clarifies the question of the date, is to be welcomed, even though it was the least we could expect.

The Council did not take a decision — as Mr Genscher has just said — on whether the second direct elections should be governed by the draft electoral law adopted by the European Parliament on 10 March 1982. We find this regrettable and incomprehensible, because with the signing of the Act on the first direct elections the European Parliament was given the right of legislative initiative in establishing a uniform electoral procedure for the second electoral period.

We believe the development of popular awareness of Europe is in grave danger if the European Parliament's powers, already far too limited, are to be ignored by the Council in this way. Furthermore, this question has again revealed that the Council is unwilling and unable to take decisions in many matters and is proving to be a brake on European unification.

If the Council wants to stop being criticized in this way, it should seize the opportunity of taking an early, positive decision on the introduction of a uniform electoral procedure. We are convinced that the text on the electoral procedure Parliament has adopted is an acceptable compromise. It is based — as has just been said — on the system of proportional representation, but it leaves enough scope for the individual Member States to carry on with their political and parliamentary traditions. In particular, the principle of proportional representation is linked to significant features of the election of individual Members.

We find it completely incomprehensible that the Council should not even be able to agree that every Community citizen should be guaranteed the right to vote even if he is resident in a Member State other than his own. This is surely the absolute minimum that can be expected of the Council.

If there are going to be further deliberations in this matter, as Mr Genscher has just said, the Council should at least take a decision on this question on 14 or 15 March. At all events, I can say that that is what the Socialist Group expects.

If the Council should still prove incapable of finding a uniform solution to all the electoral problems on which decisions have to be taken, we would ask as many Member States as possible to apply an electoral procedure which complies with the principles adopted by the European Parliament. European electors would undoubtedly welcome it if legislation could be approximated in at least this aspect of European electoral procedure.

IN THE CHAIR: MR MØLLER

Vice-President

Mr Rumor (PPE). — (*IT*) Mr President, Mr President of the Council, it is a matter for regret to note once again the unacceptable disregard that the Council shows for the rights of Parliament. The decision to settle within very narrow limits the date of the second elections to the European Parliament — without consulting the Parliament in advance, as laid down by the Treaty — could be challenged on the grounds of illegality.

But what is really upsetting is the impudence with which the Council has so far failed to take any decision whatever on the draft Act that it formally requested from Parliament in September 1976. Parliament prepared this with commendable, exemplary promptness, bearing in mind the lengthy, tedious processes involved. A year has gone by since then, and still it seems impossible to reach agreement for launching a draft uniform electoral procedure Act.

I do not intend to blame you, Mr President, but this is an example of incredible inertia, of scornful indifference to Parliament, of genuine inability to appreciate the evils of the fact that we are incapable of introducing a uniform electoral procedure. This time, a non-decision by the Council would constitute not simply a gap but in fact a withdrawal, and this at one of the vital points affecting the very essence of its democratic legality, thus proving to the European people and revealing to all and sundry its paralytic inability to take decisions.

Does the Council realize that the absence of a uniform electoral law would, among other things, deprive millions of European citizens of the right, which the Community has granted, to make its own electoral choice? And yet the law was conceived in great wisdom, following the principle of uniformity rather than that of identity. And, if you look at it closely, it makes provision, in exceptional circumstances, for clearly defined departures from the rule, to be decided after mature and realistic appraisal; it recognizes that some delicate internal problems must be left to the national Parliaments, without detracting from the principle of uniformity laid down.

Given a minimum of astuteness and readiness to collaborate, such a proposal could embody the general points of agreement within the Council. We now formally ask the Council to examine without delay — from the technical standpoint, the time involved is minimal — the resolution and the electoral proposal from Parliament. We ask for it to be adopted in substance as a Community law, so that no European citizen, wherever he may reside, is defrauded of his right — which is also his duty — to choose his own representatives in the second European Parliament.

In short, I call for courage, Mr President of the Council. Do not allow that courage to be fettered and stifled by the bonds of closed, maximalistic outlooks without perspective, or the inconsistent fears that do so much harm! To overcome the obstacles that face us, Mr President of the Council, we call for courage, which is the virtue of the far-sighted, of those who are the true creators of new destinies.

Lord Douro (ED). — Mr President, the Council of Ministers has apparently decided that there are too many difficulties about implementing a uniform electoral procedure, as proposed by Parliament in its resolution of March of last year. Despite what Mr Seitlinger said earlier, it is my information that several Member states have serious reservations about Parliament's proposal and that no one country has tried to block or delay this matter. It has been considered extensively within COREPER and has been on the Council agenda on various occasions since last October. It was always accepted by most governments, but unless an agreement were reached by the end of 1982 it would not be possible for Member States to implement the necessary legislation in time for the 1984 elections.

That date has now passed and no agreement has been reached, so we must now accept that the 1984 elections will be held under the same systems as the elections in 1979. What is important is that we now search for an agreement in time for the 1989 elections. This is a highly complicated question, and the system proposed by Parliament last year was not truly uniform. Therefore, I believe that the Council should now refer the matter back to Parliament and I would ask the President-in-Office to comment on this suggestion when he winds up this short debate.

The question of the franchise on the other hand, that is, the question of who shall have the right to vote, is still under consideration in the Council. Indeed I understand that COREPER is due to discuss this matter tomorrow, and Mr Genscher has told us that it will be on the Council's agenda next Monday. This is a matter on which my group feels most strongly.

Parliament proposed in Article 5 of last year's draft Act that Member States should grant their nationals the right to vote irrespective of their place of residence, provided that this place of residence is situated in a Member State within the Community. We believe it would be disgraceful if all Community citizens resident within the EEC were not able to vote in the second European elections. I think there is general agreement in the House on this point. That was confirmed earlier both by Mr Schieler for the Socialist Group and Mr Rumor for the EPP Group.

However, there is some argument about whether EEC citizens should vote in their country of residence or their country of nationality. As far as the Republic of Ireland is concerned, I realize that there are so many

Douro

Irish citizens living outside Ireland that the Irish may feel that the votes of their resident citizens would be swamped by the votes of non-residents if the nationality rule were applied. I also understand that there are so many citizens of other countries living in Luxembourg that it would be difficult for Luxembourg to accept the resident rule. But these very understandable fears must not be allowed to disenfranchise hundreds of thousands of our citizens and deprive them of their natural right to vote in elections for this Parliament.

Therefore we call upon the Council to enact whatever regulation is necessary to ensure that a compromise system guarantees each European Community citizen the right to vote either in country of origin or country of residence.

Thirdly, Mr President, there is the question of the date of the next European election. Our group is disturbed that the date proposed by the Council is three weeks earlier than one would normally expect on the basis of a five-year calculation. The Council act of 1976 requires Parliament to be consulted on this matter. We are concerned that some dates have been widely publicized before Parliament has received a proper explanation and had an opportunity to debate the dates.

What concerns the British members of this group is that 17 May 1984 is two weeks after local elections in the United Kingdom. Political party organizations will thus be required to undertake two distinct campaigns which will overlap. It is probable that the turnout for the European elections will be lower because of this, and I am sure we all want to encourage as high a turnout as possible in 1984. My group would therefore prefer a date in June 1984, and we hope that this Parliament will hold a debate on the matter in the near future.

In conclusion, Mr President, I would urge the President-in-Office to prevail upon his colleagues in the Council next Monday to take a decision, which will fulfil a commitment made by many political parties represented in this House, to ensure the right of all Community citizens to vote in the next European elections. That, we believe, is the most important point in this afternoon's short debate on the next European elections.

(Applause)

Mr D'Angelosante (COM). — *(IT)* Mr President, ladies and gentlemen, almost a year later, the majority of this Parliament return to the scene of the crime; but whereas last year the decisions of this Assembly might have seemed dramatic, this year they border, in my opinion, on the grotesque. We are in fact discussing a question that is without sense, since the Council, in the intervening period between the proposal and the discussion, has already decided that the next elections for

the European Parliament will not take place in accordance with a uniform electoral system, whatever its type may be.

The date of the next elections, if you please, has already been fixed, and they will be governed by the Act of December '76 and the laws of the individual countries concerned, exactly as happened with the first elections. It is incomprehensible and somewhat disturbing that Parliament should refuse to take account of this clear reality, either in fact in the question, or in the motion for a resolution that will close this debate. It is only hoped that the Council will decide something or other, when the Council, as we know, has already decided. We have got to the point, Mr President, of complaining because the attempts of the Council's experts to define a Bill have met with only 'relative success'.

Some people may think this term is intended to be ironical, but if that is the case, it is hard to see the irony, and, anyway, it is out of place, rather like telling a joke at a funeral.

The truth is that, with all these useless words, the majority in this Assembly is trying futilely — and this time it does make you laugh — to hide its own responsibilities. It persists, in fact, in asking that the citizens of the Community may be free to vote, either in the country in which they reside or in the country of which they are citizens, as laid down in Article 5 of the Draft Act. And this is rubbish.

The obligation on Member States to grant the franchise to citizens of other Member State resident in their country was instituted with para. 2 of Article 5 of our Draft Act. Paragraph 2 read as follows: Member States will guarantee the right to vote to citizens of other Member States, provided they have been resident in the country for at least five years.

Well now, Mr President, as we all remember, paragraphs 2 and 3 of that text were deleted by an amendment passed by the majority of this Parliament. The text as it now stands does not allow anything of the kind. Last year, even Mr Seitlinger — who has signed the question today — voted in favour of the cancellation of this right. And today he pretends to believe that the right still exists.

I think we have to learn at least to read what we ourselves have written.

Finally, Mr President, the motion insists that agreement must be reached on the basis of Article 13 of the Act of 1976, disregarding the fact that the Council does not intend to propose any modification of this text.

In view of the refusal to consider the facts as they really are, we, who fought firmly for the vote without frontiers within the Community, and for a truly uni-

D'Angelosante

form electoral system, have no alternative but to oppose this attempt to make things appear different from what they really are — things, moreover, that are extremely serious, and do not deserve to be made ridiculous.

Mr Haagerup (L). — *(DA)* I think that the interest my group has in this matter is shown by the fact that several speakers from my group want to take the floor. I shall therefore limit myself to saying something on a single question, that of proportional representation, and I shall do so in English:

And I speak in English because we all know that it is the British Conservative and Labour parties who have held up progress on this matter. If I speak moderately, Mr President, it should not be taken to mean that I and my group, and indeed the overwhelming majority of Members of other groups, do not feel strongly about the absurdity of imposing on our common Parliament the distortions of the British system.

Let me remind the House of the extent of these distortions. In the first European elections the parties represented in my group polled nearly 12 million votes in all in the then nine Member States, including 1.6 million British Liberal votes. We elected 39 MEPs, none of them from Britain. The Conservative Party in Great Britain polled less than 7 million votes and returned 60 Members. Mr President, the figures speak for themselves. And they are all the more unjustifiable, because the arguments used to defend the non-proportional system for the British House of Commons — and we expect and respect these arguments — do not apply to Strasbourg. The Conservative and Labour parties say that the British system enables the voter to choose a government. But, Mr President, our Parliament does not have any government to sustain or bring down!

This is not just a British problem. The distortions of the British system distort the balance of forces in our Parliament — the Parliament which belongs to the people of all 10 Member States. Mr President, the indifference which the British Government has shown to the clearly expressed wishes of this Parliament on the Seitlinger report will not — we know that — be altered by a vote of this House. However, every opinion poll of the British electorate for the last ten years has shown a substantial majority of the voters of all the main parties in Britain in favour of proportional representation. Indeed, I think that Conservative and Labour Members in the European Parliament should share this view, because the absurdity of the British system may well work against them next year or at the next election after that. In Bermondsey in East London the week before last, in a seat held by the Labour Party for over half a century, the Liberal Alliance candidate polled 57% of the votes. If the Liberal and Social Democratic Alliance in Great Britain polled 41% of the votes in the next European elections, 75 of the 81 United Kingdom seats would be taken by them. That is a fact.

Mr President, I have many personal friends in the European Democratic Group. I do not want British Conservative representation to be reduced to two Members!

(Applause)

Mrs Ewing (DEP). — Mr President, it is rather a pleasure to be in my peculiar situation as the only British Member who escaped the system by not being a member of the mammoth British Labour Party or the mammoth British Conservative Party. Out of 81 Members, I alone am the one who defied the system. Unfortunately for me, I had to fight against my friend Russell Johnston, who was a great Member of this Parliament.

(Interruptions)

I do not think it is very pleasant to be interrupted in the middle of voicing an appreciation of my political opponent. Yes, I am used to it indeed, but only from those benches. I want injury time if this goes on, Mr President.

May I say in all sincerity that the situation is absurd. In Britain we have 50.6% of the votes for the Conservatives giving them 77% of the seats, 33% for the Labour Party giving them 21% of the seats, 13% for the Liberals but no seats. My party got 29% of the Scottish vote and has only one seat out of the eight that Scotland is allowed. Being allowed 8 out of 81 is not unfair within the UK terms, but it means that my ancient nation of Scotland makes me worth half a Dane, a third of an Irishman and a ninety-second part of a Luxemburger. That does not mean that I have anything against the representation of Ireland, Denmark or Luxembourg. I just point out to you that when you have a country like mine that has great problems, eight voices do not seem to me to be enough; and only one comes out of the 81 from the UK belongs to someone who escaped the net of this system.

I quote from the findings of the House of Lords Select Committee: 'Britain's refusal to conform to the rest of the European Community and introduce proportional representation is distorting the representation of party groups'. The same committee goes on to make the point that Mr Haagerup has made, namely, that it is distorting this Parliament.

I think the time has come for Britain which regards itself in some closed-minded way as knowing it all, since it has been at it a long time, as 'the mother of democracy', to just open its mind and ask: Is it not odd that out of ten Member States of this Community they are the only one that is out of step and that every other one has a form of PR which must be fair?

May I add — I have the list with me of the members and sponsors of the Electoral Reform Society of the

Ewing

United Kingdom and there are many distinguished members of both the Conservative House of Commons Group and House of Lords Group who are signatories to that — that this is not something all Conservatives are against. Is it not time that they looked at the fact that they are so out of step on something that is so fair because in Britain we are used to minority governments? The Prime Minister has not got a majority of the votes. In my time in politics which, I am afraid, goes back quite a while — I was eight years in the House of Commons — there was never a Prime Minister whose party had a majority of votes. The whole system is tottering on unfairness, built on unfairness. It is there to try and stop third parties from breaking the mammoth two-party system. We have done it — my party, the Scottish National Party in Scotland — and they do not like it. That is why you will often hear such cat-calls when I am on my feet. They do not like it that someone from a third party has broken their system against all the odds. The Liberals have done the same thing elsewhere, though their strength is mostly in England.

I say to you, you cannot go on having a Member State so out of step. I would think that any PR system is better than this and I am known as one who keeps in touch with the constituency. I am a good constituency MP. Ask even my enemies. I like to have my feet on the ground but we cannot go on like this. We must have some form of PR, be it the German system or the Irish system. I think myself that the French system is too strict. It is just not possible for you to condone the British being so out of step and I am not one with them in this extraordinary stance.

(Applause)

Mr Vandemeulebroucke (CDI). — *(NL)* Mr President, as expected the Council declared on 21 February that there was no agreement on a uniform electoral procedure for 1984. The ministers limited themselves to saying they were willing to examine a formula which would guarantee EEC citizens a form of the right to vote. This formula is up for discussion next week and this too runs the risk of having a first-class funeral.

We have actually made no headway since 1979, which means that there are still many differences which affect both the composition and the representivity of the European Parliament. In view of the almost permanent indecisiveness of the Council, the Parliament might have been better advised to submit a number of practical methods for a more uniform procedure rather than proposing a uniform procedure itself. That can be seen for example in the probability of a *non possumus* partly due to Great Britain which insists on exercising its right of veto against a system, whether the German or Irish system, of fair representation.

I think we could have made considerable progress if we had had an electoral procedure for 1984 in which

parties would not be asked for any deposits, as in France for example, where no threshold would be set anywhere, as in France and Germany, where minority groups would be guaranteed representation in the European Parliament, and where Member States would introduce several constituencies, and where the existence of minorities would be taken into consideration in determining constituencies.

In conclusion I wish to express my amazement at the Council deciding on the date of the 1984 election without any consultation whatsoever of the European Parliament.

Mr Romualdi (NI). — *(IT)* Mr President, although I have not a great deal of hope for the outcome I wish to associate myself with the move to tackle the Council once again, when the Council has regrettably already decided that the 1984 elections will be held in the last week of May in that year, in accordance with national laws, and without taking into account in any way the modest draft electoral procedure Act that, sad to say — and this is true — was not uniform. I must therefore deplore, as others have today, that by taking that decision the Council acted without any feelings whatsoever, and has shown a total disregard for the spirit and letter of the Treaty in relation to Parliament and the electors who, very rightly, will accuse us of not having been able even to make the law by which we are to be elected. To say that it will be done in 1989 is something we cannot do — it will have to be said by another Parliament whose work we have neither the right nor the ability to prejudge or decide in advance.

Mr Bocklet (PPE). — *(DE)* Mr President, ladies and gentlemen, I believe that the President of the Council here present must accept the criticism of the Council as an institution, not as a criticism of his own person, because he has not long had this whole problem round his neck, and since Parliament adopted this proposal, the Council has surely had enough time to come to an agreement. Unfortunately, it has not done so. This is yet another classic example of decision-making Council-style.

But, to avoid any biased account of historical events in this Chamber, I should also like to say a few words to our British friends. It is not true that there have been insurmountable differences of opinion on many questions in the Council. There was only one decisive question: first-past-the-post or proportional representation. Everything else was of secondary importance and, of course, some delegations to the Council made a great issue out of this central, British problem. I really do not know which electoral system you want for 1989 if you do not accept what Parliament decided last spring.

I was present at the negotiations, as you were, Lord Douro. What Parliament decided last year was

Bocklet

undoubtedly the furthest it could go to accommodate the British first-past-the-post system while maintaining proportional representation as a basis. There are therefore just the two alternatives: 'yes' or 'no'. The Council should not dwell on this any longer.

I find it very regrettable that this whole matter should be blocked by one country and that we should be discussing a problem of this kind for months on end instead of passing on to questions which can be resolved now. Hence my sincere appeal to the President of the Council: in the time the German Presidency of the Council has left you, Mr Genscher, should make sure that a solution is at least found to the problem of the right to vote, the right of every Community citizen to take part in this election, and that everything else is followed up in the ensuing months and years on the basis of Parliament's decision.

Mr Galland (L). — (*FR*) Mr President, honourable Members, on 10 March 1982 we voted a double-edged resolution in this House. As a result, putting this resolution on the agenda again for 8 March 1983 will make for a day of pointless frustration for the European Parliament.

Today there are one or two of us who want to go beyond the obvious criticism due to the Council and tell Parliament to put its own house in order. We had two choices in 1982: We could take the hard line of presenting a truly uniform electoral procedure — and then shoulder our responsibilities, go to the logical conclusion and vote a text that did not provide for over-frequent exceptions to be made for individual nations — or we could take the reasonable, realistic and effective line and call for the installation of a proportional representation system, as an imperative, in the 10 countries of the Community. So, on one essential point, there would have been nine countries lined up against the United Kingdom — which would have been in a difficult situation.

But we did neither and now there is divergence on all the points in the resolution.

On the regional voting system, four countries (France, Greece, the Netherlands and Luxembourg) are against cutting up their territories into regional constituencies. Honourable Members, you would have done better to accept our amendment, tabled a year ago, whereby each list could have a maximum of 81 members. This would have avoided the division in the Council.

There is no agreement on harmonizing polling days.

On the subject of votes for and eligibility of foreigners, the Council is split down the middle.

So is it surprising that the British have capitalized on the situation and refused to accept the basis, the main

thrust of our work, a system of proportional representation in the 10 countries of the Community? Our resolution will not be taken into consideration by the Council and there will be no proportional representation in the United Kingdom. That is what happens when you vote an inadequate text! Discussing this oral question today when it can in no way affect the 1984 elections makes us fear that we will also uselessly emphasize the fact, yet again, that this House is powerless.

Honourable Conservative Members, you have capitalized on the situation that we created. In some sectors, it has to be said, fair play is no longer a British characteristic. If in 14 months' time, the voters in your country put in the liberals and the social democrats with 40% and you only get 30%, you will regret having become a skeleton group and you will have dug your own grave.

President. — I have received two motions for resolutions with request for an early vote to wind up the debate on this question. The first motion for a resolution is by Mr Seitlinger and others, on behalf of the Group of the European People's Party (Christian-Democratic Group) and Mr Glinne and Mr Schieler, on behalf of the Socialist Group (Doc. 1-2/83). The second motion for a resolution is by Lord O'Hagan, on behalf of the European Democratic Group (Doc. 1-5/83).

The vote on the request for an early vote will be held as soon as the documents have been distributed.

Mr Ryan (PPE). — Mr President and Mr President-in-Office of the Council, it seems to me that the Council must come in for criticism for their inexcusable delay to date in agreeing on a uniform electoral system for the next European elections. Perhaps their tardiness shows indifference and this indifference portrays their dislike of — indeed, their contempt for — parliamentary democracy when, as often happens in the European Parliament, parliamentarians criticize Ministers.

Unless the Council takes an immediate decision, there will be insufficient time for the ten national parliaments to adopt reforming legislation before the end of this year. But if a decision is taken this month there still is time for such legislation to go through. It is not good enough to say that the electoral system is a matter for each Member State alone. What happens electorally in any country automatically reacts on the workings and votes of this Parliament. The first-past-the-post system in Britain, already deservedly criticized by Mr Haagerup and Mrs Ewing, produces unbalanced results which are not comparable with election outcomes in States with proportional representation or list systems. As a consequence of the 1979 election in Britain, votes in this Parliament are fre-

Ryan

quently distorted. With only 50·6% of the popular vote, Conservatives took 77% — that is to say, 60 — of the British seats. The Labour Party, with 33% electoral support, got only 17 seats, or 21·7% of the British representation. With the notable and, indeed, well-deserved exception of Mrs Ewing, from Scotland, the remaining 16·4% of the British electorate, including the Liberals, are unrepresented in this European Parliament. The effect of that is that, because Britain did not operate proportional representation in 1979, this Parliament has 21 too many Conservatives, 9 too few Socialists and 12 excluded Liberals. There is a distortion there amounting to 42 seats — a distortion of nearly 10% of the voting patterns in this Parliament. Hundreds of resolutions, including crucially, legally-binding financial ones, have been carried or lost here by much smaller majorities than 42 votes. It would be intolerable were any Member State to conduct the 1984 European elections by an undemocratic, unbalanced, direct-vote system which again inflicted inaccurate, disproportionate, distorting, unrepresentative influences on the Parliament.

The distinguished Prime Minister of the United Kingdom says that Northern Ireland is as much a part of the United Kingdom as her constituency of Barnet Finchley Division. On that basis, I presume the British Parliament ruled that the Northern Ireland European elections operate a proportional representation system. If the Right Honourable Member for Barnet Finchley Division really believes that her constituency is as much a part of the United Kingdom as Northern Ireland, she should in fairness extend the proportional representation system to Barnet Finchley Division and to all the United Kingdom; and this Parliament invites her to do so.

To emphasize the European Community nature of elections, it is vital that residence and not nationality be the qualification for votes. There is no good Community reason why any country should not adopt the system we have in Ireland, where every EEC citizen residing in Ireland may vote in European elections, wheresoever he or she lives. Opposition to the residence qualification seems to come in the main from Member States which benefit most in prestige and in financial benefits by having EEC institutions and the earning power of thousands of EEC personnel under their jurisdiction. Therefore, Mr President, the least countries with EEC institutions on their soil can do is to give voting rights to all Europeans, irrespective of their country of origin.

Mr Harris (ED). — On a point of order, Mr President. Can Mr Ryan explain how it is within the rules that Ireland can return Members to this Parliament who have never even stood for the election? Is that very democratic?

President. — Mr Harris, you asked for a point of order, and that was not a point of order.

Mr Harris (ED). — Sorry, Mr President.

President. — Yes, you should be sorry.

(Laughter)

Mr Damseaux (L). — *(FR)* Mr President, I understand perfectly well the difficulties the Council of Ministers is faced with in implementing the resolution of 10 March 1982 in which the European Parliament aims to establish, on the basis of Article 138 of the EEC Treaty, a uniform voting procedure. Polling days cannot be harmonized for national reasons. I understand these. The splitting up of the territory of certain Member States into constituencies has come up against sub-regional considerations that are impossible to explain to a foreigner. I understand these too, although I do not agree with them. The plan for proportional representation is being vetoed by the United Kingdom which, with its uninominal, singleround system, holds the key to the majority in this House.

This country selfishly wants to keep its position of strength and I disapprove of this nationalistic and anti-Community attitude. However, I do realize that if, for the elections of 17 and 20 May 1984, nothing is changed, then the European idea itself will be strongly discredited and I wonder whether the Council cannot reach agreement on one point at least — on the voting rights of Community citizens residing in countries of which they are not nationals.

Opinions vary, obviously. Some people think the vote should be cast in the country of residence and others think it is nationality that counts and nationals of one Member State who live in another Member State should be able to vote in their country of origin. I wonder whether we should go on with this complex argument. Would it not be simpler, for want of anything better, to take the minimum approach based on nationality?

I know we would not have taken any decisive steps towards a uniform electoral procedure in this way, but we would at least have done something. We can never do any more than circumstances will allow, but it would be unpardonable to let pass an opportunity, however small, to make progress.

Mr Genscher, President-in-Office of the Council. — *(DE)* Mr President, ladies and gentlemen, I have followed Parliament's debate very closely, and I should like to say once again that we are in principle agreed that a uniform European electoral procedure is indispensable. We undoubtedly also agree in regretting that it is not yet possible. It has not been possible to adopt this procedure for 1984 because the Council was unable to agree on the electoral system and electoral law. Like you, I find this regrettable. In this case, the required unanimity could not be achieved, and it is

Genscher

now too late to introduce the necessary legislation in the various Member States. But we intend to focus our attention on at least ensuring that all nationals of the Member States can vote in the elections. The vast majority of the electorate already have this right, but a very small number are not allowed to vote in the present circumstances, either in their own countries or in their countries of residence.

The Council is continuing its efforts to close this gap. I hope it will succeed. The Presidency at least will spare no effort in this respect. We must also go on trying to reach agreement on the basic issues, and we should make it our goal to ensure that the 1984 elections are the last to be held without a uniform electoral procedure.

I should also like to say a few words to my esteemed colleague and friend Mr Rumor, who criticized the Council's attitude towards Parliament with regard to the fixing of the period in which the European elections will be held. On 2 March 1983 the Presidency wrote a letter to the President of the European Parliament, which reads:

Dear Mr President,

At its meeting of 21/22 February 1983 the Council considered the question of the period in which the election of Members to the European Parliament should take place in 1984. Pursuant to the first subparagraph of Article 10(2) of the Act of 20 September 1976, the elections ought to be held in the period from 7 to 10 June 1984. This period cannot, however, be set aside for the elections to the European Parliament since it coincides with the Whitsun holiday. Pursuant to the second subparagraph of Article 10(2), the Council therefore endeavoured to find another period in which the elections might be held and came to the conclusion that the European Parliament should be consulted on the possibility of their taking place in the period from 17 to 20 May 1984.

In other words, we await the European Parliament's opinion. The President of the European Parliament has acknowledged receipt of this letter and taken note of it. We now await the outcome of this consultation.

As the President of the Council it is my duty, of course, to exercise a great deal of restraint. Nonetheless, I should like to thank one Member for defending the President of the Council here. As President of the Council I do not intend to take the liberty of passing judgment on other organs of the European Community and their members. But as a European citizen I might perhaps be permitted to remark that I was extremely impressed by the spirited comments made by Mrs Ewing, who will not be surprised to hear that in principle I fully agree with her.

Perhaps I might be allowed to make a second remark as a European citizen: if the Council is to be criticized

for its inability to come to an agreement, I wonder how many European citizens regret, as I do, that more Members are not present in the Chamber for the debate on the election of the next Parliament. That too needs to be said.

(Applause)

Mr Seitlinger (PPE). — *(FR)* Mr President, honourable Members, I, as author of the question, should like briefly to make one or two additional remarks.

It goes without saying, Mr President-in-Office of the Council, that your answer is not a fully satisfactory one, to say the least. It is more of a report than a political response and, when you say there was a consensus on certain articles, I shall not be so cruel as to ask you which ones, as by a process of elimination — since you then say that there is no agreement on the electoral system or the right to vote — we are left with only Articles 1, 8 and 9, the window dressing, that is to say. So there was in fact disagreement on almost all the content of the text.

I should then like to say, with our colleague Mr Damsiaux, that my tour of capital cities, in particular, led me to the conclusion that, as far as the right to vote is concerned, it is only the idea of nationality that has any chance of winning agreement. The idea of the migrant vote certainly has no chance because of the very considerable opposition to it.

Lastly, I am in complete agreement with my friend and colleague, Mr Galland, when he says that the basis of the system is proportional representation. This is what we wanted. I am less in agreement when he says that he sees responsibilities as being shared between the Council and Parliament. I shall not follow what Lord Douro said about dates, which he thinks are unsuitable. I thought that, on this point at least, he could well be in agreement with the majority of the people in this House and on the Council, but he also made himself the spokesman for our Luxembourg colleagues, who will not be in agreement with Article 5 of the section on the right to vote.

There are enough Liberals in this House, represented in three political groups, to express their own point of view, but I shall speak for those who are absent — those in the British Liberal group. There is no doubt that what we all want is for all political parties involved in the political life of the nation in our various Member States and constituting a political group in their national parliaments — it is not a question of ensuring that all political forces are represented, of course, otherwise any political faction could set up tomorrow and claim the right to be represented in this House — to be represented here and to express their points of view. This is what we were all aiming at.

All the rest is negotiable. It is only the supplementary matters on which we have, generally speaking, left the

Seitlinger

choice to the Member States. What counts is the principle of proportional representation and I rather regret that the Council, which has asked the Member States to present a statement on voting rights at the next meeting, did not use the same procedure for the key question of the electoral system proper.

Mr Genscher, you are well placed to know the advantages of proportional representation, so help us extend it to Europe as a whole.

(Applause)

Mr Rumor (PPE), Chairman of the Political Affairs Committee. — (IT) I should like to make one point clear, Mr President. The President of the Council has told us, contradicting to some extent what he had said previously, that the Council of Ministers had decided to consult Parliament regarding dates already laid down by the Council itself.

In my opinion, the reaching of agreement is a process requiring Parliament to be consulted before any date is fixed. My view, therefore, remains unchanged, that the Council has wronged Parliament, both on the basis of the terms of the Treaty, and in relation to the Act of September 1976.

I should like also to add that, as far as the dates in question are concerned, I do not know what Parliament's opinion will be. There are more Sundays available than simply Whit Sunday, and when examining the various possibilities account should be taken of the problems existing in individual countries.

Mr Genscher, President-in-Office of the Council. — (DE) Mr President, what we are discussing here is a very basic question of consultation. The letter says that the Council agreed to consult the European Parliament on the possibility of holding the elections in the period from 17 to 20 May 1984. There can be no disputing that the Council must begin by finding a date on which the elections can take place. It communicates this to Parliament, Parliament expresses its opinion and the Council then takes its decision. But it cannot, of course, consult Parliament on something which it has not even considered as a possibility. In other words, we have merely suggested the possibility of the elections being held from 17 to 20 May 1984. Parliament will state its views on this. After that we shall take a decision. But we cannot do less than find out what is possible. Otherwise we cannot find out anything at all. Parliament cannot be consulted on nothing.

President. — It is now clear, therefore, that all we have from the Council is a proposal and not a decision.

Lord Harmar-Nicholls (ED). — Mr President, I think it is a point of order in view of the statement of the President-in-Office of the Council.

Is it correct for me to ask him, if the election date is less than the five years, whether that interferes with the contract we all made with our constituents that we would stay in office for five years? Does the altered date reduce the length of the term that individual Members would have and does it not interfere with the five-year term we contracted with our constituents to hold as Members? Could I have an answer to that from the President-in-Office?

President. — I do not really see that that has anything to do with our Rules of Procedure. However, if the President-in-Office of the Council wishes to answer Lord Harmar-Nicholls's question, he is welcome to do so.

Mr Genscher, President-in-Office of the Council. — (DE) Mr President, the Council believes that this date complies with the Treaties and the applicable rules.

President. — As I understand it, the President-in-Office of the Council feels that the literal interpretation would be that it must take place after the fifth anniversary. Since it cannot be held on the fifth anniversary itself, an earlier date must be found. This is what it has attempted to do and has proposed this date to Parliament. This is important for some Members since the five-year rule applies to pension entitlements with the result that an early election in May would mean that Members leaving Parliament would not have complied with the five-year rule. Perhaps the Presidency could find a later date.

Mr Genscher, President-in-Office of the Council. — (DE) Mr President, what I said was that pursuant to the first subparagraph of Article 10(2) 'subsequent elections shall take place in the corresponding period in the last year of the five-year period referred to in Article 3'. I then referred to the second subparagraph, which reads: 'Should it prove impossible to hold the elections in the Community during that period' — in this instance, because of Whitsun — 'the Council acting unanimously shall, after consulting the Assembly, determine another period which shall be not more than one month before or one month after the period fixed pursuant to the preceding subparagraph'. The new set of dates we have proposed would fall within the limits laid down by the Act. Parliament must now express its opinion, and then the final decision will be taken in the Council.

President. — The debate is closed.

5. Yugoslavia

President. — The next item is the report by Mr Bettiza (Doc. 1-1193/82), on behalf of the Political Affairs Committee, on the situation in Yugoslavia.

Mr Bettiza (L), rapporteur. — (IT) Mr President, ladies and gentlemen, if the Political Committee has decided to deal quickly and firmly with the complex problem of our relations with Yugoslavia, it is partly because the stability of the Yugoslav economy has unfortunately deteriorated in the last two years to a critical degree that gives cause for considerable concern. The Yugoslavs talk about 'difficulties'. But there are so many of these difficulties, and they are often so considerable as to make the overall picture one of out-and-out crisis in the economy of that country.

The development of this crisis has fortunately coincided with the conclusion of the important economic and cooperation agreement between the Community and Yugoslavia — an agreement which both we and the Yugoslavs now see as one of the means by which it will be possible to help the Republics and the State of Yugoslavia to cure and overcome the situation.

Naturally, quite apart from the agreement with us, the Yugoslav authorities have themselves put into effect a number of strict anti-crisis measures, which have already produced some results.

In fact the steps taken by Belgrade to pay back foreign debts, slow down domestic consumption and stimulate exports, have already reduced the serious trade deficit from 4.3 thousand million dollars to 2.7 thousand million.

Prospects for the future are therefore less dramatic than they were only a year ago. But the difficulties remain, even though the dinar, already devalued by 20%, has held up sufficiently well on western financial markets, despite the effects of inflation. The increase of from 20% to 30% in the price of essential foods, the drastic restrictions on energy consumption, the progressive tax on foreign travel, still bear witness to troubles that are far from having been overcome. Even the present situation and future prospects for trade between Yugoslavia and the Community are overshadowed by clouds that have not been dispersed, despite the cooperation agreement and despite the temporary shelving of the age-old dispute regarding Yugoslav exports of baby-beef. The difficulties could in fact drive the authorities in Belgrade either to restrict Yugoslav imports from the Community, or to over-pressurize Yugoslav exports to the Community, with the attendant danger of provoking anti-dumping measures which could upset the equilibrium and very structure of the cooperation agreement.

I have only mentioned, Mr President, a few of the pitfalls that both sides — the Yugoslavs and ourselves —

must avoid if they wish this agreement, as quickly and realistically as possible, to be of genuine operational value.

On this point the Community must however take a very critical look at itself. The agreement was in fact concluded and signed in April 1980 but, because ratification was more than once inexplicably and not always justifiably postponed, it will only come into effect in April 1983. We must therefore note that it has taken all of three years to progress from paper commitments to concrete reality. In politics, three years is too long, and there is far less excuse when the international background is overcast and uncertain, as it has been for Europe and Yugoslavia alike.

This Parliament and its Political Committee and Committee on External Relations have all done their bit: no small part of what has been achieved so far in Yugoslav-Community relations is due to our political commitment — as sensitive parliamentarians and quite apart from the specific technical questions — to the basic problems of a country that, by cultural tradition, political talent and geographical position, has always been the pointer on the scales of European equilibrium. The Commission has also played its part: the commitment and ability with which Commissioner Haferkamp and his closest collaborators have handled the Yugoslav question over all these years, deserve our praise. The same cannot be said about the Council: this, reducing itself as it so often does to a mere sounding box for selfish or even anti-Community national interests, has once again divisively applied the brakes, in an operation on which both Parliament and the Commission, on the other hand, are in agreement.

I wish all Member States would clearly realize that giving a hand to Yugoslavia means giving it to ourselves. We parliamentarians have always thought — and acted accordingly — that Yugoslavia, with its plurinational complexity, its mixed economy, and its diplomatic responsibilities in Europe and elsewhere in the world, must be understood and supported by us in all its singular personality as a State in the balance between East and West, North and South. If, following the economic crisis, instability should take root in Yugoslavia, the whole of Europe would suffer. That is why this agreement, which we consider to be of decisive importance in solving the Yugoslav crisis, needs to have added to it, whilst it is being implemented in full, a political 'pigment' without which it would simply remain a short-lived commercial contract.

There are good omens already on the horizon. Only yesterday Commissioner Haferkamp inaugurated the Euro-Yugoslav Business Week in which 600 people are taking part, including 400 Western businessmen; on the success of this initiative will also depend future agreements between Yugoslav and European firms. On 24 May the first meeting will take place in Belgrade of the Council of Cooperation set up by the agreements which, in our view, should be the main

Bettiza

instrument of control and stimulus to ensure that the promises and assumptions made in the agreements become concrete fact. Also in May, or at the end of April, there is to be a planning meeting in Brussels.

At this point our Yugoslav friends, towards whom this Parliament has always shown affection and loyalty, give us food for serious thought. The Seventh Conference of Non-aligned Countries is now being held in New Delhi, attended by some forty heads of State, and Yugoslavia is naturally taking part as the only European founder country and promoter of the movement.

We always feel that Yugoslavia's constructive omnipresence between Europe and the Third World, between North and South, between Paris and Athens, has made a generous contribution to understanding between different peoples, and to the maintenance of peace and détente. But we also feel that, with the disappearance of a strong personality such as President Tito, Yugoslavia's function amongst the non-aligned countries could and should undergo a change, though not necessarily be diminished. If yesterday Yugoslavia represented the non-aligned countries in Europe, today, after the death of Tito, with the changes that have taken place in the identity and in the position of the Community — more autonomous, more homogeneous — in the world, it could and perhaps should have a European role to play *vis-à-vis* the newly-developed and newly-independent countries.

Mr President, in submitting this motion for a resolution to Parliament for its approval, we can only hope that the Community will solidly accept all the commitments described in the documents, and that Yugoslavia will see in us the most convinced supporter of its economic revival and the stability of its system, and of the independence and sovereignty of its people.

(Applause)

Mr Seefeld (S). — (DE) Mr President, ladies and gentlemen, on behalf of the Socialist Group I should like to say that we fully endorse Mr Bettiza's report and that we are grateful for the work that he has put into it. I do, however, have one comment to make, and this concerns the title of the report. It says that we express our views on the situation in Yugoslavia in the report.

That might lead to some misunderstanding, because we have not, of course, been able to consider the situation in this country in sufficient depth. We have not been able to give a sufficiently detailed description of the situation in Yugoslavia, and we did not intend to claim that we had fully covered every aspect. I should therefore like to say that it is Parliament's task to consider ways of improving our relations with Yugoslavia and of thus creating a suitable situation for people in Yugoslavia and also for Yugoslavs living in our own countries.

Some time ago I had the pleasure of heading a delegation from my group to Yugoslavia, and from our experience on that occasion I would say that what we found very impressive was the way in which the Yugoslavs we spoke to repeatedly emphasized the social system, worker management as the basis of their policy.

I was also impressed by the way in which difficult problems that have occurred since the death of President Tito have been successfully overcome. The great desire felt in this country and among its political leaders to safeguard Yugoslavia's independence and its non-aligned status was also unmistakable.

More than once my colleagues and I were told that, in view of the many crises and conflicts in the world, Yugoslavia would like to see the role of the movement of non-aligned States strengthened.

What Yugoslavia wants is a new and fairer international economic order, genuine global negotiations to reduce the arms race and further progress towards détente.

These are all points which I believe we can fully endorse. We should therefore acknowledge and respect the efforts Yugoslavia is making in these fields. Mr Bettiza has told us enough about the difficulties this country is facing. Of course, it has considerable economic problems, a high rate of inflation and a balance-of-payments deficit. There is no denying that it has unemployment and a balance-of-trade deficit. It was all the more surprising that all the Yugoslavs we spoke to expressed the firm intention of extending and improving relations with the European Community. All the Yugoslav politicians said this, and I fully support what you have to say on this aspect, Mr Bettiza.

My group and I consider it important for it to be clearly stated that we of the European Parliament want to see trade relations improved and extended. We want the cooperation agreement to be applied in full. When we were in Yugoslavia, we were given a great deal of information, not all of which I can repeat here, but which was also important because Greece, one of our Member States, needs to be able to use Yugoslavia as a transit country.

To summarize on behalf of my group, I can therefore say that we are pleased to find that there was unanimous agreement in the Political Affairs Committee on the following. The cooperation agreement must enter into force as quickly as possible. We must see to it that the opportunities we have as a Community are seized to help to put Yugoslavia's economy on a sound footing. We must increase our trade relations with Yugoslavia. And we should also emphasize our desire, which the Yugoslavs share, to see good relations emerging between our Parliament and the Yugoslav Parliament, which is something we should set in motion in the interests of all concerned.

Seefeld

The Socialist Group therefore approves the report and would like to thank you once again, Mr Bettiza, for the work you have done.

Mrs Gaiotti De Biase (PPE). — *(IT)* Mr President, the Group of the European People's Party supports Mr Bettiza's excellent resolution, and congratulates the Political Committee on its most welcome speed of decision.

In the two minutes that I am allowed I can only make a few essential points. Briefly, they are as follows: concern for the Yugoslav economy, but also appreciation for the austerity measures imposed by the Federal Socialist Republic of Yugoslavia and the hope that they may meet, through the agreement and cohesion of the Republics, with the maximum success; a firm belief that, once again, the only way out of the crisis will be through stronger cooperation, not only financial and economic but also technological, commercial and entrepreneurial — we have the question of transport in mind — such as is being developed at the present time in Belgrade, through the welcome initiative of the Business Week; and an awareness of the value, more political even than economic, of the cooperation agreement, which must be implemented by far-seeing politicians and not accountants, as has partly been the case so far, especially as regards baby-beef.

This is a matter for self-criticism on the part of the Community, in addition to the question of the delays that Mr Bettiza mentioned: self-criticism, as has already been said, in the name of a worldwide strategic view of the Community's friendships and Yugoslavia's key role in the 'Non-aligned' movement — an awareness that, in order to strengthen this friendship, there is no need whatever to give up any of the ideals and political convictions of the West, but there is a need for proper respect and prudence *vis-à-vis* a political class committed to the struggle to preserve the unity and independence of the country, in a difficult and delicate geographical, political and economic situation.

Mr Israël (DEP). — *(FR)* Mr President, honourable Members, we are greatly indebted to Yugoslavia. It is a country which has managed to break free from a certain amount of influence on the part of the USSR. It is a country which has managed to keep a Socialist regime without sacrificing itself to demands from the East.

Yugoslavia has also managed to solve a certain number of internal problems that were extremely serious. It practises self-management. You may not agree with it, but it exists. And it also practises a form of direct democracy, but, above all, it has managed to solve the problem of minorities. The Balkans, Mr President, are not just divided by frontiers and mountains. They are also divided by the different people that make them

up. And Yugoslavia really has found a harmonious solution to the coexistence of different peoples in a country that is extremely complex from this point of view. Linguistic freedoms and self-management are undoubted achievements.

But these achievements naturally have their drawbacks. The centrifugal and separatist tendencies are real. And there is a certain danger from the south, from Albania, which has perfected Stalinism to the point of making it a modern ideology at a time when no one takes it seriously any more.

Yugoslavia is resisting these dangers. It is our duty to assist it — without forgetting that the next stage for the Belgrade government is that of the so-called formal freedoms, the freedoms that the Marxists call formal but which for us are essential freedoms.

Learning how to resist terrorist threats without endangering fundamental human rights is what all the countries of the European Community and all the countries that work with the Community and with Yugoslavia have to learn.

We can, I think, Mr President, honourable Members, hope that Yugoslavia is on the right track. The Bettiza report will be able to encourage it to persevere and progress along these lines.

(Applause)

Mr Pannella (CDI). — *(FR)* Mr President, the standard of this report comes as no surprise to us. We know the qualities of the rapporteur and we know his profound and passionate knowledge of the subject.

Having said this, although we agree with the main lines of the report and with the action of our Community — and when I say our Community, I mean an active Community; I think the Council is becoming more and more of a figurehead because it is not represented here — we think, Mr President, Mr President-in-Office of the Council and, above all, my fellow MPs, particularly Mr Bettiza, that it is wrong to treat Yugoslavia smugly.

Why not ask of Yugoslavia what we ask for our own countries? How can we fail to express the wish that the Republic of Yugoslavia should adhere to the European Human Rights Convention? That frightens you. You do not want to see that in the report. I personally would like to see it there and I have tabled an amendment to this effect.

Why not name the Kosovo? In Italy people have stayed in prison for four years before being tried and people are claiming that this is wrong, that it is unworthy of European justice, of justice in a country that respects the rule of law. Why should we not raise the same question for the Kosovo and why should our

Pannella

friends and comrades in Yugoslavia have such an inferiority complex as to object if we say of them what we say of ourselves? I am by no means in agreement, Mr Bettiza, as you know, with your caution . . . which seems to me to be incautious.

Furthermore, why not speak of national — nationalistic and, culturally speaking, isolationist — illusion in Yugoslavia when we are here because we do not believe in the national side of things, because we do not believe that, independently of people on all sides, the states can solve the problems in question. Why not simply say that we want Yugoslavia to be associated with our Community? This 1814-style policy, this policy of power, was only right in 1814! Did we need to pay homage once more to the myth of national revolution when we are here to revolt against the stupidity of national and nationalist illusion?

It is in this spirit that I want us to go further. In the Kosovo, as in South Tyrol, there is no problem with the natives of the region. There is a problem with the Serbo-Croats, for example, who also live in the region and who are likely to see their rights completely denied by the local Albanian majority. In South Tyrol, the German-speaking population has obtained a number of rights and it was the duty of the Italians to grant them. But now, we are having to defend the rights of the Italian-speakers against the von Papanist and von Hasselist ideas of the Südtiroler Volkspartei.

No-one can complain about us discussing these subjects. Let us discuss it with Yugoslavia, because it is by getting to this level in our relations that we will be able to give genuine proof of our friendship for this country. Friendship means confidence first of all. The Yugoslavs can teach us a lot, so why not discuss our respective fundamental values with them?

Mr Almirante (NI). — *(IT)* Mr President, with regard to the question of relations between the European Community and Yugoslavia, may I be permitted to speak not only as an Italian member of this Parliament but also as an ex-Councillor of the Trieste City Council, and this for two reasons: firstly, because the nation in Europe that is most interested in relations with Yugoslavia is undoubtedly Italy, and second, because the best way of establishing proper relations between the European Community and the countries of Europe that are not part of the Community, and are not destined to become part of it, is to keep the national interests of both sides firmly in mind.

Having said that, I think I can compress into a few brief points what I approve of and what I disapprove of in Mr Bettiza's report, and the motion for a resolution of the Political Committee.

First: I, too, deplore the slowness of European procedures, especially as regards imports from Yugoslavia of products that are essential to the economy of that country, such as baby-beef.

Second: I would point out that the cooperation agreement between the EEC and Yugoslavia that was signed on 2 April 1980 in Belgrade has not yet come into force because Yugoslavia itself has not ratified it.

Third: with regard to relations between Yugoslavia and Italy, I would point out that it is in no way true that the Osimo Agreement deserves to be considered with interest from the Community point of view, since it is so wrong and so harmful to the Italian economy and in particular, the economy of Trieste, that it has remained for the most part on paper. The Osimo way is certainly not Europe's way, because it is not the way to a serious agreement between Italy and Yugoslavia.

Fourth: the economic and commercial measures that are bedevilling relations between Yugoslavia and the EEC are measures adopted by the Yugoslav Government, and they have been specially harmful to relations with Italy.

Fifth: Mr Bettiza's report, which is very much in favour of any facilities to help Yugoslavia, none the less recognizes that Belgrade has withdrawn to some extent from the international commitments it had previously assumed, such as membership of GATT and the cooperation agreement with the EEC already referred to.

Sixth: what the rapporteur asks is therefore right, namely that the EEC should show its solidarity with Yugoslavia in a tangible way; but it is essential that the problem of relations between the EEC and Yugoslavia should be viewed afresh on the political plane, and that the European Community should use in a concrete manner all the economic and commercial means available to it in order to help Yugoslavia not to become increasingly dependent on COMECON, and also in order to check that European aid and the substantial sacrifices of the Italians and the people of Trieste achieve their true purpose — to save Yugoslavia from the terrible crisis that holds it in its grip, and to prevent the post-Tito governing class from becoming increasingly tied to the tactical manoeuvres and strategic interests of Soviet Russia and the COMECON.

Mr Pesmazoglou (NI). — *(GR)* Mr President, dear colleagues, I want to congratulate Mr Bettiza on the quality of his report and on the balanced arguments he has used. There is a need for our links with Yugoslavia to be strengthened, and this means making the cooperation agreement operational. There is a need to work out arrangements which can be of benefit to the Yugoslav people and their economy, and I want to emphasize that cooperation of the highest possible degree with Yugoslavia will increase the stability of north-eastern Europe and, in addition to this, as Mr Bettiza stressed, open up prospects for wider cooperation with other countries in the world.

I believe that the Community ought to organize the study of and take the initiative for funding infrastruc-

Pesmazoglou

ture projects of a more general importance. Such projects as a major arterial road running via Austria and through Yugoslavia to Greece, and the linking of the Axios river — which in Yugoslavia is called the Vardar — with the Danube, so as to open up a waterway from western and central Europe to the Aegean and the Mediterranean.

Mr Eisma (NI). — (NL) Mr President, the cooperation agreement between Yugoslavia and the EEC is expected to come into force on 1 April, 1983, three years after its signature. The so-called *Business Week* which was opened yesterday offers the opportunity of realising almost 200 industrial cooperation projects. These attempts to intensify economic relations between the EEC and Yugoslavia are absolutely essential in view of its special situation in relation to the EEC. Its geographical position alone, lying between Greece and the rest of the EEC, make it essential to intensify economic cooperation.

When we talk about greater trade cooperation between the EEC and Yugoslavia we cannot ignore the political aspects of this cooperation. In other words economic relations presume a certain consensus between the EEC and Yugoslavia in other areas too. It is therefore surprising that Mr Bettiza's report on behalf of the Committee on Political Affairs makes no mention of the breach of human rights in that country. I completely agree with Mr Pannella, that the report glosses over this aspect, especially as this point was debated during the interparliamentary meeting last October.

Amnesty International demonstrates that the lot of political prisoners in Yugoslavia leaves much to be desired. The situation especially in the province of Kosovo, where very harsh sentences were passed on so-called dissidents after 1981, gives rise for concern. These sentences are not in line with the stipulations of the United Nations. The EEC must not create the impression of interfering too much in the internal affairs of Yugoslavia, but an independent reliable body such as *Amnesty International* shows us that human rights are being infringed. Therefore in addition to economic cooperation between Yugoslavia and the EEC we must have a political reaction from the Council of Ministers meeting in political cooperation on the fate of political prisoners in that country.

Mr Genscher, President-in-Office of the Council. — (DE) Mr President, ladies and gentlemen, the international community is observing Yugoslavia's economic problems very closely, because the economic development of this important European country affects us all. The Council has therefore noted Mr Bettiza's report with interest. Yugoslavia's geographical position immediately adjacent to the European Community and on the Mediterranean is an indication of the importance of its political and economic stability for

Europe. With its independent policy geared to genuine non-aligned status, Yugoslavia occupies a special place in Europe and the world as a whole.

As early as 1979 the Council drew practical conclusions from this situation, when it instructed the Commission to open negotiations with Yugoslavia on the conclusion of a comprehensive and unilaterally preferential cooperation agreement. Greece's accession to the Community has increased the geographical and economic importance of Yugoslavia for the Community. The land route between Greece and other Member States of the Community passes through Yugoslavia. Because of its close links with Yugoslavia the Community has been particularly affected by the economic problems which have become apparent in the country since 1982. The world economic crisis has helped to make a substantial foreign debt, an alarming rate of inflation, unemployment and declining living standards features of the present economic situation in Yugoslavia. The Community respects the Yugoslav Government for the major steps it has so far taken on the difficult path to economic recovery.

The country's substantial foreign debt is causing particular concern. Yugoslavia's Western partners have introduced a support operation to help it to overcome the critical situation by flexible means. In line with their present commitments in Yugoslavia, the participants in this support operation, who include most of the Community's Member States, hope to ease the burden on the Yugoslav current account this year.

The Berne Protocol is a decisive step. It now needs to be backed by agreements between Yugoslavia and the International Monetary Fund and the private banks. The European Community is Yugoslavia's leading supplier and its second largest customer. The volume of trade amounted to 8.5 m dollars in 1981. Under the cooperation agreement that has been applied internationally since 1980 Yugoslavia enjoys extensive concessions. Many Yugoslav manufactures are exempt from customs tariffs. Provision has been made for specific concessions in the case of agricultural products. The financial protocol permits the European Investment Bank to grant loans totalling 200 m ECU up to 1985. In 1982 alone the cooperation agreement resulted in a 13% increase in Yugoslav exports to the Community.

The first meeting of the Cooperation Council planned for April/May 1983 will provide major impulses for the form our cooperation with Yugoslavia will take. The Community is prepared to cooperate very closely in the trade, economic, scientific and technical fields. The business week in Belgrade organized by the Community and Yugoslavia seems to me to be a clear illustration of the opportunities for practical cooperation. We shall in future place great emphasis on improving the general conditions for undertakings wanting to cooperate.

Genscher

I am confident that today's debate will show how vitally interested we are in continuing our close economic and political cooperation with Yugoslavia.

Mr Haferkamp, Vice-President of the Commission. — (DE) Mr President, I should like to begin by expressing the Commission's gratitude to the rapporteur for his report and for the proposals he has made. This report has found general approval during today's debate, and expression has generally been given to the will of the Community and all its institutions to step up the cooperation with Yugoslavia. This is the extension of the route that all three institutions of the Community have been following for years, a cornerstone of which was and remains the political declaration signed in Belgrade in December 1976. That was the basis for our cooperation agreement. In response to the criticism at the time it took for this agreement to be ratified, I must point out that the signing took place in April 1980 and by 1 July 1980 the Council had decided to enforce the clauses concerning trade and the financial protocol mentioned by the President of the Council.

We did this because we, of course, realized that the ratification procedures would take some time. Bringing forward the entry into force of important clauses of the agreement is further proof of the considerable interest the Community as a whole has in cooperation with Yugoslavia. I believe that in the difficult situation which this country is at present facing and which has been discussed here it is particularly important for the Community to show that this interest continues and that it is strong.

Reference has repeatedly been made in recent years to Yugoslavia's trade problems and the difficulties it encounters when exporting to the Community, and I would agree with the honourable Member who said just now that these problems cannot be treated with the mentality of a book-keeper. The problems can be solved if the political will exists. In my opinion, the Community could well be more generous in many respects than it has been in the past without endangering its own interests.

As the President of the Council has said, the agreement resulted in a substantial increase in Yugoslavia's exports to the Community last year compared with the year before. We very much hope this trend will continue. But we must do more than just trade — and that is the purpose of the cooperation agreement. There is a great deal of scope for cooperation. In Belgrade yesterday I joined with the relevant Yugoslav Minister in opening the business week that has already been mentioned. Over 150 representatives of the economy in all the Member States of the Community and well over 500 from the Yugoslav economy are attending this business week to discuss and consider practical ways of bringing about cooperation between undertakings. They will be looking at joint economic activities in

Yugoslavia, licensing questions, the transfer of technology, the supply of goods by Yugoslav undertakings to undertakings in the Community, cooperation between Community and Yugoslav undertakings in third countries in sectors we specified with the Yugoslav authorities last year, the automotive industry, the food industry, machine tools, agricultural machinery and mining. All I can say after the first day, on which these matters were discussed by businessmen in practical terms, that considerable interest was shown, and I am sure that the result will be actual economic relations which will take us past the discussion of various trade problems.

Talks I had on this occasion with the President and other members of the Federal Executive Council again confirmed the deep interest the Yugoslav Government has in extending relations with the Community. What they still want to see is the implementation of the provisions of the Belgrade declaration. We must become more active in all the areas covered by the cooperation agreement, in industry, in energy matters, in scientific and technological cooperation. The agreement refers to cooperation in agriculture, transport, tourism and environmental questions. In all these areas we shall be guided by the principle: what can the next practical step be?

It is, of course, inconceivable that the whole of the agreement should become fully effective at a stroke. What is conceivable, however, is that we should put into effect the provisions we have adopted in respect of the various areas covered by this cooperation agreement and show the political will to take practical action rather than just concluding agreements.

An important step, an important opportunity for this will be the first meeting of the Cooperation Council, which will probably be held at ministerial level in May. It will be a further milestone in the intensification of our relations with Yugoslavia.

(Applause)

President. — The debate is closed.

The vote will be taken at the next voting time.

We shall now vote on the request for a vote without referral to committee on the motion for a resolution to wind up the debate on the oral question by Mr Seitlinger and others. It has now been distributed. I propose that as both requests deal with the same topic, they be put to the vote together.

(Parliament approved the requests for an early vote)

The votes will be taken at the next voting time.

(The sitting was adjourned at 6.10 p.m. and resumed at 6.30 p.m.)

IN THE CHAIR: MR NIKOLAOU

Vice-President

6. *Topical and urgent debate (announcement)*

President. — (GR) Pursuant to Rule 48, paragraph 2, of the Rules of Procedure the list has been drawn up of subjects for the topical and urgent debate to be held after the votes on Thursday.

(The President announced the list of subjects)

In accordance with Rule 48, paragraph 2, second subparagraph, of the Rules of Procedure and objections to this list, which should be tabled and justified in writing by a political group or at least 21 Members, must be submitted before 3 p.m. tomorrow. The vote on these objections will take place without debate at 3 p.m. tomorrow, Wednesday.

Mr von der Vring (S). — (DE) Mr President, could you repeat the first item on the list of urgent debates. I did not understand.

President. — The first point was, for me, the most important, Mr von der Vring. I shall repeat it.

Motion for a resolution by the Liberal and Democratic Group on the special part-session on unemployment. As you are aware, we have decided to hold an extraordinary part-session in Brussels at the end of April. That is what it was about.

Mr Alavanos (COM). — (GR) Mr President, when referring to the last motion for a resolution you said: 'motion on behalf of the Socialist Group on hail and snow storms in Crete'. Could it be that the motion was tabled on behalf of the Communist and Allies Group and that there has been some mix-up? And if this is the case I wish to inform you, on behalf of the authors, that in order to ease the pressure of work on Thursday we prefer that there should be no debate but simply a vote on the motion for a resolution.

President. — (GR) Mr Alavanos, the document in front of me states: 'motion for a resolution on behalf of the Socialist Group'. We must check to see if there has been a printing error. If the Socialist Group has not tabled such a motion then obviously this bears out your question.

Mr Enright (S). — Mr President, I am extremely worried about this emergency motion from the Liberals, which we are taking first suggesting that we do

not have an extraordinary part-session, simply because I cannot find in the Rules of Procedure any rule which allows us to vote twice, or three times, or four times, on specific decisions that we have taken. It seems to me that we will get ourselves into real difficulty — and certainly Mr Pannella, if you rule so, will be able to raise once more all sorts of points on which we have taken decisions. I do think this is a very dangerous precedent indeed, that we take a specific decision, namely that we should have a special session on a special date and then decide that we will debate the whole thing again. I think it is extraordinary, and certainly would not accord with any rules of procedure in any of our national parliaments or, indeed, in any of our regional bodies.

President. — (GR) Mr Enright, on this I want to say, first of all, that the Rules of Procedure do not permit me as sitting President to discuss the substance of the matter you have raised. Despite this, I will digress slightly and just say — while at the same time categorically refusing to discuss the substance of the matter — that the motion by the Liberals refers only to whether or not certain technical conditions will pertain in Brussels. It does not refer to whether or not the extraordinary part-session on unemployment will take place. Parliament has already taken a decision on this.

7. *Question Time*

President. — The next item is the first part of Question Time (Doc. 1-1346/82).

We shall begin with questions to the Council.

Mr Sherlock (ED). — On a point of order Mr President. I wish to speak on the beginning of Question Time and ask if the question that I put last time about the numerical order of the questions on this paper has in fact been considered. I notice, for example, that the first question by Mr Deniau is numbered 787 of 1982. The next question would seem to have precedence, being numbered 739 of 1982. We then go on in a reasonably numerical order, 664, 694, 703, etc. etc. But I did ask that the numbering should relate to the date on which the questions were tabled and that they should, unless there was anything in particular to disturb the arithmetical sequence, be submitted to this body in that order.

I am particularly concerned at this point to know why 787 of Mr Deniau, for example, should take precedence over 739 of Mrs Boot, particularly when the EEC and Vietnam is currently the subject of a report by the same person — the author of a report and the initiator of a question. Why should it have this priority?

President. — (GR) Dear Colleague, if you read the document, which all of you have before you, carefully, you will see that it was formerly an oral question for debate (0-107/82) and that it has been converted into a question for Question Time by decision of the enlarged Bureau. For this reasons the Bureau has the right to give precedence to this question.

Question No 1 by Mr Deniau (H-787/82)¹

Although food aid to Vietnam was suspended several years ago, that country was granted emergency aid last year.

It seems necessary to draw the Vietnamese Government's attention to the European Community's desire to see an improvement in the human rights situation in its country as regards the citizens, residents and governments of the ten Member States.

Hundreds of humanitarian appeals to the Vietnamese Government to permit the reunion of families one of whose members is domiciled in a Member State of the Community have failed to produce a reaction of even a reply despite repeated well-founded requests by our governments.

Humanitarian concern cannot be a one-way business: there must be a corresponding effort on the part of a government which is a potential recipient of our aid to respond to the concern for human rights felt by the Member States of the Community.

What are the Council's feelings about the means to be adopted to achieve this aim?

Mr Genscher, President-in-Office of the Council. — (DE) The Council recalls what it, like Parliament, has repeatedly said about respect for human rights, which represents one of the bases of its actions. Where Vietnam is concerned, the Community felt compelled to suspend its direct aid to this country, but in view of the difficulties facing certain sections of the Vietnamese population, it has provided humanitarian emergency aid through international non-governmental organizations, which are responsible for distribution.

Mr Deniau (DEP). — (FR) I do not feel that Mr Genscher has given a reply. What I wanted to emphasize in my question was that there are 100-200 000 Vietnamese in the Community at the moment and it is our duty to protect them. It is a humanitarian duty identical to that we have towards our own nationals. And the Community does not seem to be interested . . .

President. — Mr Deniau, please put your supplementary question.

Mr Deniau (DEP). — (FR) My supplementary question is as follows. Why does the Community not, make representations to the Vietnamese government on behalf of the Vietnamese refugees in the countries of the Community to improve their relations with their families? Since we have relations with this country — even if it is only through assistance — it is our duty to take a humanitarian attitude.

I should like to say, for my part, that it is not a case of posing questions of domestic policy to the country, but simply of the Commission and the Council including the problem of relations between the refugees in our countries and their families back home in their negotiations. I ask Mr Genscher what he intends to do about this.

President. — May I first ask the President-in-Office of the Council whether he wishes to answer this question now or whether he prefers to wait until the four Members have put their supplementary questions? Perhaps he wishes to answer at the end.

I note that certain Members are not in favour of this procedure. I would therefore ask you to answer each question in turn.

Mr Genscher. — (DE) Mr President, I am prepared to go along with any suggestion you care to make. There is indeed a need, and this irrespective of the aid mentioned in the question, for representations to be made to the Vietnamese Government and any other government whose behaviour towards the citizens of its country does not comply, in our view, with the rules governing human rights. And this will be done.

As regards the payment in aid which has been mentioned, the Commission of the European Communities decided in December 1982 to give humanitarian emergency aid in view of the considerable damage done by a typhoon in various parts of Vietnam. The Ten were informed of this by the Commission within the framework of Political Cooperation. The aid concerned amounted to a one-time payment of 300 000 ECU in Community budget resources which the Commission is empowered to use as it sees fit. The Commission's intention with this measure was to help the many people who suffered as a result of the typhoon and to alleviate their misery. It is estimated that 1.9 m people, including 640 000 children, were affected by this natural disaster in Vietnam. The European Community resources approved for this purpose were paid to international aid organizations in 1982. They arranged for the purchase and transport of goods, medicines, clothing and building materials. I will not conceal from the House the reservations felt by some Member States of the European Community and by our friends the ASEAN countries about the Commission's action.

¹ Former oral question with debate (0-107/82), converted into a question for Question Time.

Genscher

They believed that humanitarian aid to Vietnam should not be misconstrued, coming as it did at the wrong time, with Vietnam continuing to ignore the solution to the Kampuchean problem supported by the majority of the international community. But I should also like to refer explicitly to the right of Vietnamese refugees to be re-united with their families in the Community countries. We shall also be continuing to take action to this end in the future.

Mr Lomas (S). — I wonder whether the Council is aware that, contrary to the implications in Mr Deniau's question that the Vietnamese Government is doing nothing about re-uniting families, there is in fact an agreement between Vietnam and the UN High Commissioner for Refugees and that there is a constant flow of Vietnamese leaving under that agreement, flown out by the UN High Commissioner. I can only just quote one country. Last year, 1 800 Vietnamese citizens left the country just to go to one country, Canada, and many other thousands have gone to other countries, so I do not think the picture is so black as appears to be painted in the question. I wonder whether the Council is aware of that agreement, and one hopes agrees with it.

Mr Genscher. — (DE) The Council is, of course, aware that people do leave Vietnam, and we naturally set great store by the re-unification of families that is taking place particularly through the endeavours of the United Nations High Commissioner. The governments maintain very close contact with the High Commissioner in this respect. But I must tell you quite frankly that only a fraction of those wanting to be re-united with their families actually succeed. We believe it to be one of the very elementary rights of all people to go where they please to meet members of their families and that no country has the right to hold on to its nationals in this way. This must be said, and I say it with regard not only to Vietnam but to any country that denies or restricts the right of its citizens to freedom of movement.

(Applause)

Mr Habsburg (PPE). — (DE) If I remember rightly, aid to Vietnam was stopped when Vietnamese troops invaded Kampuchea. Is there therefore any justification for including the question of human rights in Vietnam when the basis of our attitude towards Vietnam is principally determined by the fact that Vietnam is illegally occupying another country?

Mr Genscher. — (DE) As I pointed out in my second answer, the European Community adopted this attitude for another reason, Vietnam's position on Kampuchea — or, to be more precise, continuing Vietnamese aggression in Kampuchea. Furthermore, this attitude is considered to be the right one not only by

the European Community but also by our friends the ASEAN countries, whose judgment particularly of events in that part of the world we regard as extremely important.

This does not prevent us — to revert to the first question — from taking account of the human rights situation in Vietnam, and I take this opportunity to reiterate the view to the House that, regardless of a country's political system, the right to freedom of movement is in the opinion of the European Community one of the inalienable rights of every human being.

Mr C. Jackson (ED). — I would like to pursue a bit further the second answer which the President-in-Office of the Council gave.

Does the President-in-Office agree with the principle that the Community should not directly or indirectly give any benefit or help at all to the Vietnamese Government, many of whose policies and actions are repugnant to us; and does he agree that any further emergency aid to Vietnam — if it is considered — would, again, have to be conditional on the strictest controls?

Mr Genscher. — (DE) I have already referred to the political aspect. The European Community does indeed disapprove of Vietnam's continuing aggression in Kampuchea. This was why it stopped making payments. The Commission has now granted a very limited amount of humanitarian emergency aid for a very specific and topical purpose, to help repair the extensive damage done by a typhoon in various parts of Vietnam. The emphasis in this humanitarian emergency aid is that it should benefit the people directly concerned, and this is to be ensured by the international aid organizations. I think the special reason, the limited amount of aid involved and the form in which it is being given should also be considered. However, I say again that we fully agree with our friends the ASEAN countries that humanitarian aid to Vietnam must not be taken as a sign at the wrong time: we do not want to create the impression that it is business as usual despite the continuing aggression in Kampuchea. But I do not think that in this specific case the danger of this happening should be overestimated.

President. — Two Members from the Communists and Allies Group wish to put questions. The procedure adopted hitherto was that one representative of each political group would put a supplementary question. However, Mr Wurtz and Mr Alavanos have asked for the floor. As a compromise I propose that they should both put their questions and that the President-in-Office of the Council should give a joint answer. However, I am not prepared to take any further supplementary questions.

Mr Wurtz (COM). — (FR) In the last reply the President gave us, we had the incredible impression that he was apologizing almost for the limited emergency aid that the Community gave to Vietnam, making it clear that it was limited, emergency aid given on an exceptional basis because of the hurricane and so on. But that is not the question. Human rights do not come into it. And many of you could start by removing the beam from your own eyes. The question I shall ask Mr Genscher is this: when will this discrimination against Vietnam stop? When will the aid withdrawn in 1979 be re-established?

Mr Genscher. — (DE) Decisions like that taken by the European Community against Vietnam on account of its aggression do not constitute discrimination against this country, but demonstrate the unequivocal stance adopted by a Community on respect for human rights. If the European Community adopted any other position, it would be making distinctions as regards its intentions to safeguard peace in the world against aggression.

(Applause from the European Democratic Group)

President. — Question No 2 by Mrs Boot (H-739/82):¹

The restriction on fuel contained in the normal tanks of goods vehicles and buses entering France and the Federal Republic of Germany causes considerable inconvenience at the Community's internal frontiers.

The other eight Member States already permit the import of fuel in the normal tanks of goods vehicles and buses free of all duty.

Only France restricts the duty-free quantity to 200 l, while the Federal Republic confines it to 50 l for goods vehicles and 100 l for buses. In contrast to these restrictions at the Community's internal frontiers the Federal Republic of Germany permits the import of full tanks from the GDR duty free.

The general exemption from duty of fuels in the normal tanks of goods vehicles and buses at the internal frontiers of the Community would significantly reduce traffic delays and result in substantial cost savings not only to industry but also to the French and German customs services.

Is the Council prepared to adopt the proposals for the amendment of Directive 68/297 of 19 July 1968² and for a directive on VAT exemptions, amended to ensure that, instead of being restricted to 100 litres, fuel contained in the normal tanks of commercial vehi-

cles will remain duty-free throughout the Community's road network?

Mrs Buchan (S). — On a point of order Mr President. May I ask how many supplementary questions you are going to take on each question. This happens all the time at Question Time, and frankly some of us had hoped that when you were in the chair you might smarten things up a bit? It really is very unfair. If there are going to be four supplementaries to every question we will be lucky if we get through three or four; and then we wonder why so very few people turn up for Question Time!

President. — You will have noted that I have permitted only one supplementary question from each group. However, you cannot insist when we are debating a question of some importance that all the political groups in the Chamber should not have an opportunity to speak.

Mrs Buchan (S). — I am sorry, Mr President, but there is a point. If you are going to take questions from each group, then it is very unfair and restricts even further the rights of back-bench Members who are very rarely their group spokesmen. This is not the correct form of Question Time. It is the only chance that back-bench Members get, and I really hope that you, particularly, will protect the rights of back-benchers in this respect.

President. — Certainly, but in that case, the back-benchers must immediately ask for the floor. Of course, I must defend the rights of the minorities, but at the same time I cannot be unfair to the majority.

I would ask Mr Genscher to answer the question.

Mr Genscher, President-in-Office of the Council. — (DE) The question raised by the honourable Member is currently being considered in the Council. The Council hopes to be able to express an opinion shortly, and I hope in a way that satisfies the honourable Member.

Mrs Boot (PPE). — (NL) I should like to ask the President-in-Office what 'currently' means. According to my information the Council's agenda for 1 March included simplification of customs formalities, but this point was once again removed, as were some other questions on transport policy harmonization. I should dearly like to know whether this simplification can come about during the German presidency. And if that is the case, what are we to think of the measure taken by the German government on diesel fuel restrictions for cars from the German Democratic Republic? Up until now this fuel was not subject to duty and could

¹ Former oral question without debate (0-137/82), converted into a question for Question Time.

² OJ No. L 175, 23. 7. 1968, p. 15.

Boot

be imported without any restrictions, but as of the beginning of February a new German regulation has come into force whereby only 600 litres of this fuel and no more can be imported duty-free, and that is a serious aggravation. To give you an example involving the Netherlands, goods transport from the GDR via Germany into the Netherlands. When Mr Genscher says that a favourable decision is 'currently' being taken on this issue, then I should like to ask him how the new restrictive German regulation is to be reconciled with the pending Community decision.

Mr Genscher. — (DE) I shall try to find a satisfactory solution to this problem during the German Presidency. I share the view expressed in the honourable Member's initial question. Her supplementary question, however, does not fall within the Community's terms of reference.

Mr von der Vring (S). — (DE) Can you tell us where the difficulties in the harmonization of motor vehicle taxes lie? Do you not agree with me that it would be possible to make a distinction between motor vehicles, lorries and buses, because there is really no question of a distortion of competition in the case of buses.

Mr Genscher. — (DE) I could make things easy for myself by saying that the difficulties lie in the substance of the matter, but that is not, of course, what you mean. You would like to know which country is causing the difficulties. The answer is at least one, but the fairly positive statement I have already made in answer to Mrs Boot's question may have shown that I am quite hopeful in this respect. I do not know whether the distinction you suggested would help. We may get by without it.

Mr Sherlock (ED). — Those who have had the misfortune to read the reports of past Question Times will recall that this is the third time that I am on my feet on this particular topic. On one occasion, I enquired in all sincerity if the Member States' budgets in any sense depended entirely on this nonsensical abstraction of ridiculously small amounts of money and on the amount of frustration it caused at the borders. We should have not a cost benefit analysis but a cost-irritation quotient...

(The President urged the speaker to put his question)

... In the President-in-Office's own Member State, does his current budget depend upon the extraction of these minuscule amounts of money?

Mr Genscher. — (DE) I should like to say to the honourable Member that he should have found some encouragement in my first answer. It should have shown him that considerable progress has been made

towards the achievement of a result that is really in the Community's interests along the lines suggested in his question.

Mrs Maij-Weggen (PPE). — (NL) I should like to put a supplementary question which is closely linked to Mrs Boot's point. Germany does not merely levy a tax on diesel oil in buses but also a tax on the passengers in the bus. Is the President-in-Office of the Council aware that Dutch tour operators driving a tourist coach through the Federal Republic of Germany have to pay DFL 0.07 per passenger on German territory? And is the President of the Council prepared to put a speedy end to this practice which the Dutch find extremely annoying and which also runs counter to the pro-European character of his coalition?

Mr Genscher. — (DE) I shall look into this question in a European spirit.

President. — Since this is more or less a technical question and not one of great political significance and since we have not had requests to speak from all the political groups, I shall call two speakers from the Socialist Group.

Mr Seeler (S). — (DE) The President of the Council undoubtedly shares my view that the question of taxes on diesel fuel seriously affects the competitiveness of the ports of Hamburg and Bremen, for example. Would you agree with me that, if these taxes are waived at the frontiers, the taxes on mineral oil and motor vehicles must be harmonized to maintain competitiveness and equality of opportunity?

Mr Genscher. — (DE) I share the view you have expressed with regard to the position of the sea ports of one Member State, and I agree that no decision should in any way result in distortions of competition, which we should in fact be trying to reduce. In this specific instance we must endeavour to find an arrangement that is in the interests of the Community as a whole, and we shall find a way which does not raise the problems you have mentioned.

Whether the way you have described is the right one is another question. We should as a rule avoid solving one problem by creating another. In plain terms, in the specific case referred to in the preceding questions we want to find an arrangement that is in the Community's interests. It should not cause disadvantages elsewhere. We must see how we can achieve this in the Member State concerned.

Mrs Kellett-Bowman (ED). — On a point of order, Mr President. I may have misunderstood what you said, but I understood you to say that as other groups

Kellett-Bowman

did not appear to wish to ask questions, you were going to ask two consecutive Socialists. It may well be that other groups are refraining from asking questions because they want to get on to subsequent questions, in which case it would be quite inexcusable to call two Socialists on their own. I may have been mistaken in what you said, but that was my understanding of it.

President. — Mrs Kellett-Bowman, it is for the President to decide whether or not the House is interested in further supplementary questions.

I call Mr Rogalla.

Mrs Kellett-Bowman (ED). — That is not fair!

(Loud cries)

Mr Rogalla (ED). — *(DE)* I would be grateful to the President of the Council for an assurance that, when seeking the solution he has referred to, he will also give some thought to the problems connected with the additional forms needed in particular for bus journeys. I should like to hear whether as a man you can kindly give us an assurance that, in view of the importance many years of European cooperation give this question, you will personally discuss the solution of this problem with the French President.

Mr Genscher. — *(DE)* I shall do so not as a man but as President of the Council.

President. — I wanted to ask Mrs Kellett-Bowman whether she wished to put a supplementary question.

Mrs Kellett-Bowman (ED). — No, Mr President, but there are some very important questions on the Social Fund that we shall not reach if...

President. — It is a question of principle. I wish to point out again unequivocally that when the House is interested in a subject, it is immaterial whether the questions come from the right or from the left.

Question No 3 by Mr Lomas (H-664/82):

In December, the British Conservative Party had a broadcast on TV in which they attacked the policy of the Labour Party for withdrawal from the EEC and produced propaganda in favour of continued membership. The following day the Commission started a series of press conferences in Britain on the same theme. It is commonly believed in Britain that this could not have been a coincidence and that there was collusion between the Commission and the Conservative Party in order to denigrate

the policy of the Labour party which is supported by a large majority of the British people.

Does the Council accept the right of the Commission to interfere this way in the internal politics of a country and does it accept the right of the Commission to liaise with one political party against another?

Mr Genscher, President-in-Office of the Council. — *(DE)* The Commission makes use of the various media to inform the public in the Member States of the activities of the European Communities.

The responsibility for the content of these information campaigns, which — as is regularly the case in democratic countries — may give rise to protests, is borne by the Commission. I cannot therefore in any way accept the insinuation in the question that there has been interference in the internal affairs of a Member State.

Mr Lomas (S). — That view is widely held, Mr Genscher. I do not object in the least to debate or exchange of information between the two parties...

(The president urged the speaker to put his question)

Yes, I am going to ask a question. Surely I am allowed to preface it with a couple of sentences. I know you do not like this, Mr President, but I hope Mr President-in-Office you will bear with me for a minute.

I do not want to appear to be objecting to honest debate and differences between the parties, or indeed in my own party for that matter...

(The President again urged the speaker to put his question)

... If you give me a chance to get to it, I will. If the Commission are going to continue interfering on one side in this internal political debate in Britain, will the Council at least try to persuade them to tell the truth and not indulge in wild speculation? I hardly expect the British Government to tell the truth about hardly anything, but perhaps the Commission could be persuaded to behave in a proper manner.

President. — Mr President-in-Office, may I first point out that the question is addressed not to you but to the Commission. However, you are free to answer it if you so wish.

Mr Genscher. — *(DE)* I can only say on the Council's behalf that the Commission also has the right to freedom of expression, one of the fundamental rights in our Community, and that it may exercise this right of freedom of expression even when its views differ from those held by the opposition in a Member State.

Mr Welsh (ED). — Mr President-in-Office, since we are involved in the free exchange of information, could I ask you if you have read the interesting document by the Labour Party setting out their plan for withdrawal, and if you have read it, would you agree with me that it shows a very uncertain grasp of Community matters, suggesting as it does that the Federal Republic is actually not a net contributor to the budget? Would you further agree, Mr President-in-Office, having studied recent by-election results, that if there is one thing that is certain, it is that the Labour Party does not command the support of the vast majority of the British people?

(Applause from the European Democratic Group)

President. — Mr Welsh, we have no wish to carry out a posthumous electoral campaign here. The die has been cast both in your country and in the Federal Republic of Germany.

Mr Genscher. — (DE) The honourable Member has asked two questions. I am prepared to answer them both. The first question was whether I had studied a certain document published by the Labour Party. No, Sir, I have not studied it. Secondly, I was asked whether I had noted the results of recent by-elections in Britain. My answer is yes, with considerable interest.

(Laughter and applause)

Mr Israël (DEP). — (FR) Mr President-in-Office of the Council, if you do not mind a Frenchman joining in the debate, I should like to ask what the Council's position would have been if the Commission had been to the United Kingdom to announce that this country had to leave the common market.

Mr Genscher. — (DE) In that case, the Council would have said that the Commission had exercised its right to freedom of expression, even though its opinion was wrong.

President. — Although I have no wish to see this degenerate into a British squabble, I shall nonetheless call some Members from the right and from the left.

Mr Enright (S). — Is the Council not aware that in fact the Commission, in its cavortings on that occasion, was backing up very strongly the way in which Mrs Thatcher is trying to pull us out of the Community? As a member of the Labour Party who wishes to stay in, I am perplexed by the way in which we are backing Thatcher-like policies, but the ineptness of the Commission, in its actual propaganda exercise, was quite appalling. Would, therefore, the Coun-

cil of Ministers rap the Commission over the knuckles for failing entirely to achieve its objectives?

Mr Genscher. — (DE) The Commission would not be doing its duty to tell the truth if it did not express its opinion because it was the same as Mrs Thatcher's.

(Laughter)

Mr Hutton (ED). — Does the President-in-Office accept that in this particular instance the timing of the broadcast and of the start of the Commission's press conferences was, in fact, entirely fortuitous? And while it so happens that with the performance of the present Labour Party in Britain, the Conservative Party does not actually need any luck, any political party is entitled to a little now and again.

Mr Genscher. — (DE) I cannot presume to have an opinion on right or wrong timing.

Mr Prag (ED). — Mr President, I really cannot understand why a question should be put in Question Time to the Council — which should be used for eliciting important information on the Council's policies, and not for silly party political points — when it relates to the view of the Commission. Surely this question should have been put to the Commission, if it should have been put at all. And it should not have been wasting our time in the Council's Question Time.

Mr Megahy (S). — Could I ask the President-in-Office of the Council if he is willing at all to distinguish first of all between information and propaganda and secondly if he is willing to recognize that the Commission is in a very privileged position inside each of the Member States and that if it chooses to cooperate with particular political parties in an internal struggle, then this could not only be a point of concern, which it quite rightly is, in the United Kingdom, but it could prove to be a point of concern throughout the Community if the Commission, using its moneybags and using European taxpayers' money enters internal debate? Does he not feel therefore that it is time the Council of Ministers imposed some specific curbs and laid down guidelines about this kind of political interference before it spreads to countries other than the United Kingdom?

Mr Genscher. — (DE) A distinction must, of course, always be made — this in reply to the honourable Member's first question — between information and propaganda. There is nothing unusual about that. As regards the second question, I should like to revert to the question which gave rise to this discussion. It says that in a television broadcast in December the British Conservative Party attacked the Labour Party's policy

Genscher

for withdrawal from the EEC and produced propaganda in favour of continued membership. It goes on to say: 'The following day the Commission started a series of press conferences in Britain on the same theme. It is commonly believed in Britain that this could not have been a coincidence and that there was collusion between the Commission and the Conservative Party in order to denigrate the policy of the Labour Party which is supported by a large majority of the British people. Does the Council accept the right of the Commission to interfere in the internal policies of a country and does it accept the right of the Commission to liaise with one political party against another?'

Mr Megahy, like all the other organs, the Commission has a duty to adopt a pro-Community stance. This extends to the Community's interest in seeing Member States remaining in the Community. The organs of the European Community must be permitted to express this view even if there is an internal debate on the subject in individual Member States, since the question of whether or not a country becomes a member, whether or not it remains a member concerns the whole Community. It is not an internal matter for that country.

Those who understand the spirit of the European Treaties correctly will admit that the will to form a Community is a common will. The decision to establish the Community formed this common will, and the organs have an interest in expressing this common will everywhere, and indeed it is their duty to do so. By so doing, they are not making policy for or against any party but policy for Europe.

(Applause)

Mr Alavanos (COM). — (GR) My question is a continuation of the question put by Mr Megahy and refers specifically to Greece where the issue which will dominate the elections to the European Parliament in 1984 will be that of Greek withdrawal from the EEC. I would like, therefore, to ask the President of the Council the following question.

Does the Council intend to take specific steps to prevent Community institutions, such as the Commission and the European Parliament, from meddling in the political struggle that will develop in Greece in the run-up to the 1984 elections, given that a substantial portion of the body politic in Greece opposes Greek membership of the EEC? I would like a specific and responsible reply from the President-in-Office of the Council.

President. — (GR) Mr Alavanos, your question has absolutely no connection with the matter being discussed. I am very sorry but I cannot allow this question.

Mr Alavanos (COM). — (GR) I do not think that the question is unconnected, Mr President. It is connected in every way, and it is noteworthy that the previous speaker from the Socialist Group, to which you yourself belong, very rightly sought to set the matter in a more general context, because it concerns not only Britain but Greece as well.

President. — (GR) When I am presiding I belong to no group. Secondly, I will not allow you to continue.

Lord Harmar-Nicholls. — (ED) Could I ask the President-in-Office of the Council whether his contact with the Conservative leaders of the British Government over the last three and a half years has given him the impression that they need any help from any quarter including the Commission, to disclose the danger and the ineptitude of the Labour Party opposition? And would he satisfy his colleagues in the Commission that they need not be disturbed at this sort of questioning? We find at home that the Labour Party make it part of their policy to undermine the authority of the judges, the police and anybody who acts in an objective way, in order to further their own ends in trying to make people dissatisfied with everything that happens.

President. — Lord Harmar Nicholls, I allowed you to put a question but it was not very precise. However, I shall ask Mr Genscher to reply before moving on to the next question.

Mr Genscher. — (DE) If the honourable Member is asking whether I believe the British Government is in need of political support, I would say that, like all the other members of the Council and all the other Member State governments, the British Government does not need any political support, at least not from the Council or Commission.

President. — As the author is not present, Question No 4 will be answered in writing.¹

Question No 5 by Mr Israël (H-703/82):

Has the Council recently had occasion to discuss the objective reasons preventing the United Kingdom from joining the European monetary system and can it indicate these reasons to the European Parliament?

Mr Galland (L). — (FR) Point of order, Mr President. This first part of Question Time is a little disappointing. For a whole hour we have been here and we have looked at only three questions and I think that

¹ See Annex of 9. 3. 1983.

Galland

now, Mr President, we should stick to tradition and move on to the questions put to the Foreign Ministers. We have half an hour, honourable Members, and tradition, whether you like it or not, demands that we respect the regulation — one hour for questions to the Council and half-an-hour for questions to the Foreign Ministers, Mr President, please would you move on to Question No 27?

President. — Mr Galland, because of the announcement of the subjects for topical and urgent debate, we began late. I therefore propose that we take Mr Israël's question and then move on to Question No 27.

Mr Genscher, President-in-Office of the Council. — (DE) The Council believes that it is not entitled to comment on the reasons that have so far prevented the United Kingdom from participating in the exchange rate and intervention mechanisms of the European monetary system.

Mr Israël (DEP). — (FR) Mr President-in-Office of the Council, the Council, the supreme body of the Community, is responsible for implementing all our common policies, including the EMS. Do you not think it would be a good thing for the EMS if the United Kingdom joined it, particularly since sterling does not seem to be strong enough at the moment? Would not sterling gain from joining the EMS and would not Europe, whose interests it is your duty to defend, also gain?

Mr Genscher. — (DE) The Council has not yet formed an opinion on this subject. If you ask the Council President personally, all I can say is that the more countries that belong to the EMS, the better we would like it.

Mr Welsh (ED). — Would the President-in-Office of the Council accept that in fact Britain is a member of the European monetary system insofar as it contributes its reserves to back the ECU, participates in setting the value of the ECU, and because the Finance Ministers regularly consult together, in an active way, on economic and financial management?

Would he further accept that many of us on this side of the House look forward eagerly to the day when Britain does in fact participate in the exchange rate mechanism as well?

Mr Genscher. — (DE) The question is how the United Kingdom is to participate in the exchange rate mechanism, and I would, of course, if you are asking me personally, welcome it.

Mr von der Vring (S). — (DE) I take it for granted that you would personally favour Britain's joining the EMS. But I wonder whether the Council, as the Council, does not have an opinion on why a Member State of the Community is not participating in this important aspect of the Community and how long this can go on. Are you saying that the Council is so indifferent that it has not formed an opinion on this question?

Mr Genscher. — (DE) The United Kingdom must, of course, decide for itself whether and when it can pursue an exchange rate policy that meets the requirements of the European monetary system. It is not simply a question of yes or no. Britain must actually be in a position to pursue an exchange rate policy of this kind. If you now ask me whether the Council can express a uniform view on this matter, I would ask you to imagine the situation in the practical terms of a country — any country: let us not relate it specifically to the United Kingdom — which evidently believes that it does not yet meet these requirements.

Sir Brandon Rhys Williams (ED). — Would the President-in-Office not agree that it is almost impossible for sterling to be pegged against the Deutschmark until there is an absolutely free and united capital market between London and Frankfurt thereby, in effect, creating a Community market for capital instead of individual financing centres where market conditions are not always the same? Would he, therefore, accept that the way forward towards a European monetary system is to work for a united European market for capital, and that Frankfurt and London might well be the pioneers in implementing the Treaty in that respect?

Mr Genscher. — (DE) I do not think we should overlook the fact that other currencies participate even though the capital market you are suggesting does not exist. Nevertheless, I say again that it is for the United Kingdom itself to decide whether it meets the requirements for full participation in the mechanism.

Mr Herman (PPE). — (FR) I am somewhat disappointed with your answer about your concern to see the United Kingdom join the EMS. I think everyone has an interest in this.

You yourself have just been brilliantly re-elected in your country and I am very pleased about this. Throughout his campaign, Mr Kohl made very pro-European speeches — which means that your voters have given you the job of defending the idea of Europe and, therefore, European monetary integration. This means that you have an additional duty...

President. — Mr Herman, you must put a question,

President

not make a speech.

Mr Genscher. — (DE) If the honourable Member was going to ask whether the Federal Chancellor, having been pro-European before the election campaign, will now continue to be pro-European, my answer is an unconditional yes.

Mr Patterson (ED). — Even if they have not discussed it now, will the President-in-Office undertake, to hold a discussion on this matter in the Council of Ministers and to point out to the United Kingdom Government that now is a very opportune time for the United Kingdom and sterling to enter the exchange rate mechanism of the EMS because it would result in the abolition of MCAs, something which is always a drag on the Community budget, and would, incidentally, probably stop smuggling on the Irish border?

Mr Genscher. — (DE) I have listened very closely to the views which have been expressed in the various questions put here, and I shall bring these views to the attention of the Council without delay.

Mr Sieglerschmidt (S). — (DE) Am I to understand from the answer the President of the Council gave Mr von der Vring that the Council forms an opinion only when it is clear from the outset that a unanimous view will be adopted, even though the Treaties do not provide for the unanimity rule in the formation of opinions?

Mr Genscher. — (DE) No, that is not the inference to be drawn from what I said.

President. — We turn now to the questions addressed to the Foreign Ministers.

Question No 27 by Mr Flanagan (H-675/82):

Will the Foreign Ministers inform the European Parliament why at its recent meeting in Denmark it failed to state unequivocally its disapproval of the suppression of Solidarity in Poland and failed to provide even moral support to the Polish people in their hour of need?

Mr Enright (S). — On a point of order Mr President. We now appear to have only twenty minutes left for this part of Question Time. Will you in fact be extending the sitting?

President. — No, Mr Enright, we shall finish punctually at 8 o'clock, and I would ask you, in order not to waste any more time, not to make any further comments.

Mr Genscher, President-in-Office of the Foreign Ministers. — (DE) At its meeting in Copenhagen on 3 and 4 December 1982 the European Council discussed the latest developments in Poland and noted with regret that the free Polish trade union Solidarity had been disbanded. Since 13 December 1981, the day on which martial law was imposed in Poland, the Foreign Ministers of the Ten have repeatedly assured the Polish people of the sympathy of the European Community. They will continue to do so and to act accordingly.

Mr Flanagan (DEP). — First of all, was the attitude of the Council in December 1982 sent forward for notation or was it not? Secondly, at that time was it not quite clear to the Foreign Ministers that the masters of Poland were going to insist on escalating their destructive tactics in regard to Solidarity, and was it not highly predictable, therefore, that what is now happening there and what is going to happen in the future should at least have been the subject of a positive note of protest to the relevant authorities?

Mr Genscher. — (DE) The European Council gave expression in Copenhagen to the moral support for the Polish people which it considered necessary and right. It in fact acted as you would have expected.

Mr Fich (S). — (DA) Regarding the situation in Poland, I should like to ask Mr Genscher, as spokesman for the ten Foreign Ministers, whether the sanctions against the Soviet Union, discussed by the ten foreign ministers just before Christmas and since adopted pursuant to Article 113 of the Treaty of Rome, are also applicable in Denmark after 1 March, or whether Denmark is exempt from the sanctions at the present time.

Mr Genscher. — (DE) That is, of course, the case. What is essential, however, is that appropriate action is in fact taken.

President. — Question No 28 by Mr Moreland (H-698/82):

Will the Foreign Ministers make representation to the Government of Grenada as regards its policy on human rights and its relationship with the Soviet Bloc and, if necessary, freeze Community aid to Grenada?

Mr Genscher, President-in-Office of the Foreign Ministers. — (DE) In their relations with Grenada the Ten will continue to take account of all relevant political factors, including the question of human rights.

Mr Moreland (ED). — I am grateful to the President-in-Office for that comment because of the ser-

Moreland

ious situation in Grenada in which people are being locked up and so on.

Can the President-in-Office give us some assurance that although it would be totally wrong to stop Community aid to Grenada which is being used to further the genuine interests of the population of Grenada, the President-in-Office would step in and try to stop aid from the Community, such as the possible aid to an airport in Grenada, which was clearly being used to support the Government of Grenada and its political interests?

Mr Genscher. — (DE) I believe that in cases like this it is very important for the emphasis to be placed on direct aid to the people.

Mr Fich (S). — (DE) Quite simply, I did not understand the answer I got from Mr Genscher a moment ago. Mr Genscher said: 'It is clearly the case'. But I did not understand what was clearly the case. Is Denmark as of now committed to the sanctions against the Soviet Union or not?

Mr Genscher. — (DE) I did not use the expression 'clear case'. I said that it is essential for the same thing to be done in the various countries. Naturally, there is validity in principle.

Mr Seligman (ED). — Does the President-in-Office consider that EEC Member States are prepared to tolerate continued disregard for human rights by ACP States and will he ensure that respect for human rights is incorporated in the next Lomé Convention negotiations?

Mr Genscher. — (DE) There can be no question of tolerating violations of human rights. Tolerating them would mean putting up with them with approval. We cannot approve of violations of human rights. That applies to any country. It applies regardless of its political system, and I believe we always and everywhere insist on respect for the principles of the UN Charter on human rights.

As you know, the question of the inclusion of such provisions in the Lomé Convention is causing our partners a great deal of difficulty because they are concerned that such provisions might amount to interference in their internal affairs. This is certainly not the case. We have no intention of doing that, but this concern is nevertheless felt.

I believe the individual Member States of the European Community and the Community as a whole would be well advised to use the most promising method in each case to ensure respect for human rights in the various countries. The situation varies

from one country to another. Success in this matter will require extreme caution on many occasions.

Mr Alavanos (COM). — (GR) First of all I hope that this time you will allow the President-in-Office of the Council to reply since I do not intend to raise the matter of Greek withdrawal from the EEC, but to speak about the Caribbean.

I would like to ask the President-in-Office of the Council of Foreign Ministers meeting in Political Cooperation if he would be willing to put what he said in reply to the questioner into practice in his own country, given that the Federal Republic of Germany is one of the main trading partners of the Soviet Union and a country in which human rights are contravened because of the Berufsverbot.

Mr Genscher. — (DE) The principles which I have just said underly efforts to safeguard human rights in any country of this world also apply, of course, to our relationship with the Soviet Union. I said that the same goal may be achieved by quite different means in the various cases. I do not know if that answers your question. I must definitely reject any suggestion that references I have made to my own country meant that human rights were not respected there. But I am sure that is not what you meant since you know that that is not the case in the Federal Republic.

President. — Since I understand both languages, Mr President, I can assure you that you correctly understood the question.

Mr Genscher. — (DE) Then I hope that this time I have succeeded in giving the honourable Member a satisfactory answer.

Mr Brok (PPE). — (DE) As the President-in-Office of the Council has said that aid to Grenada is to depend on respect for human rights and on the aid being of direct benefit to the people, I should like to ask once again whether the Council will be considering the Commission's proposal that aid should be provided for the construction of an airport of a size that is obviously not intended for tourists but as an aircraft carrier on the route to southern Africa.

Mr Genscher. — (DE) I can assure the honourable Member that we shall certainly follow his suggestions and consider whether these resources will be used for other than the intended purpose.

Mr Van Minnen (S). — (NL) Can the President-in-Office of the Council perhaps inform us which other country in the region in which Grenada is situated has

Van Minnen

had more consultation of its citizens on the spending of budget monies than is common in the democratic government of Grenada.

Mr Genscher. — (DE) The President-in-Office of the Council certainly does not have any right to make comparisons of various countries, even within a given region. It is our task to consider the foreign relations of the Member States of the Community, which entails our expressing our view on the situation in a given country but not on the situation in one country as compared with another. If I started doing that, I would think of countries whose names you might be less willing to hear than the answer you were expecting here.

President. — Question No 29 by Mr Balfe (H-711/82):

In response to my question (H-554/82)¹ asking whether the Foreign Ministers were aware of any European countries other than the United Kingdom where plastic bullets are in use, the Foreign Ministers stated that European political cooperation 'does not cover the internal affairs of individual member countries'.

Are the Foreign Ministers aware that there are almost twice as many European countries outside the Common Market as there are within it and that in the past Foreign Ministers have frequently passed comment on the internal affairs of individual European countries, for example, Poland and as it is understood that rubber bullets have been used in Switzerland, will the Foreign Ministers condemn this violation of human rights with the same vigour that they have demonstrated with regard to other countries?

Mr Genscher, President-in-Office of the Foreign Ministers. — (DE) The Foreign Ministers of the Ten have not discussed this question. I cannot therefore express an opinion on it.

Mr Balfe (S). — Do you not regard it as strange that a Community which is able to give opinions on every other subject and every other country in the world appears unable to turn its attention to what is going on within Europe, both Community Europe and the other parts of Europe? I am quite sure that if the rubber bullets used in Switzerland were being used in the Soviet Union or in Poland, we would have many comments to make on them.

Will the Foreign Ministers meeting in political cooperation review their policies for deciding which ques-

tions are and which are not admissible, and will they condemn the use of plastic bullets as an inhumane method of police control?

Mr Genscher. — (DE) I am not quite sure whether this question really comes under the heading of EPC. I do not want to evade the question as such, but I do not think I can give an answer because the Foreign Ministers have not discussed it.

Mr Blumenfeld (PPE). — (DE) As the President-in-Office has said that the Council has not considered this matter and consequently cannot give an answer, may I request that we now go on to the next question.

If the President-in-Office of the Council says that he cannot give an answer, that is an end to the matter. That is the way it is in every parliament.

Mr Galland (L). — (FR) I think we have to go on discussing this matter, Sir, for we have two hypotheses — either the Council is unable to reply and the question has to be taken off the agenda in due course to respect the dignity of the Assembly or it feels it is not in a position to reply, but we go on discussing, because the item is still on the agenda. We must be serious about this!

Mr Moreland (ED). — Would the President-in-Office not agree with me that decisions as to the use of plastic bullets in Northern Ireland and indeed any other decision relating to the internal administration of Northern Ireland would be regarded by the Foreign Ministers and the Council as a matter for the United Kingdom Government?

Mr Genscher. — (DE) At all events, it does not come under European Political Cooperation.

Mr Enright (S). — Would the President-in-Office not agree that, in fact, a far greater violation of human rights is the failure of the North to stop the South starving, Mr Moreland's attempt to import into Grenada an East-West conflict and our failure to feed the starving people of Vietnam? Is it not scandalous that the President-in-Office of the Council has given us totally unsatisfactory and completely ignorant answers on all those questions?

President. — I have to point out that Mr Blumenfeld's remark was not so irrelevant after all since the question which Mr Enright has just put had, God knows, nothing directly to do with the topic under discussion.

Mr Genscher. — (DE) The House has the sovereign right to put questions which its Members believe

¹ Verbatim Report of Proceedings of 15. 12. 1982 (provisional edition).

Genscher

should be put, and if your view — a view which I would also share — is that need in the Third World should be one of the problems on which we should focus our attention, it would undoubtedly take up the whole of Question Time. But other questions have to be considered during Question Time. It is not for me to criticize this.

You certainly cannot claim, however, that answers given correctly to questions put correctly bear witness to ignorance because the questions concern matters which may seem less important to you — and I say again, rightly so — than others. You have to agree on that among yourselves in Parliament. The President of the Council would not like to interfere in such matters.

Mrs Ewing (DEP). — Mr President it is not yet 8 o'clock. My point of order is to challenge your own chairmanship of this Question Time. As one who regularly participates you reached a pathetic number of questions by not following precedents and, in the case of the Foreign Ministers, you only reached three. You have changed a rule of this House which is that not more than one from each group shall speak into a new rule, that at least one from every group must

speak on all questions and, on some occasions, such as Question 5, you took three from the Conservatives . . .

President. — Mrs Ewing, I am stopping you there. You are not putting a point of order. You have asked to speak to show how clever you are. I forbid you to speak. Moreover, Annex I of the Rules of Procedure gives me the right to exercise the presidency as I see fit. Please do not give the microphone to Mrs Ewing.

Mr Van Minnen (S). — (NL) I hesitate to cut across the bows of a lady in rhetorical flight, but your word is law, Mr President, and you have given me the floor, and so I ask Mr Genscher in passing whether he could not tell us for which unsatisfactory answers he considers himself responsible and for which not, and then our next question time can run considerably more smoothly.

President. — The first part of Question Time is concluded¹.

(The sitting was closed at 8 p.m.)²

¹ See Annex of 9. 3. 1983.

² Agenda for next sitting: see Minutes.

SITTING OF WEDNESDAY, 9 MARCH 1983

Contents

Mr Clinton; Mr Provan	77	8. Topical and urgent debate (motions):	
1. <i>Implementing Rule 8 of the Rules of Procedure — Report (Doc. 1-1097/82) by Mr Nord:</i>		Mr Enright	108
Mr Nord; Mr Rogers; Mr Malangre; Mr Forth; Mr Sieglerschmidt; Mr Nord	78	9. Question Time (Doc. 1-1346/82) (continuation):	
2. <i>Budgetary policy for 1984 — Report (Doc. 1-1321/82) by Mrs Scrivener:</i>		Questions to the Commission:	
Mrs Scrivener; Mr Herman; Mr Patterson; Mr Tugendhat (Commission); Mrs Nikolaou; Mr Adonnino; Mr Balfour; Mrs Barbarella; Mr Louwes; Mr Ansquer; Mr Pesmazoglou; Mr Protopapadakis	81	• Question No 40, by Mr Galland: Resumption of the North-South dialogue: Mr Ortoli (Commission); Mr Galland; Mr Ortoli; Mr Herman; Mr Ortoli; Mr Denis; Mr Ortoli; Mr G. Fuchs; Mr Ortoli	109
3. <i>Agenda:</i>		• Question No 41, by Mr Maher: Equitable sharing of responsibilities between Commissioners:	
Mr Clinton	92	Mr Andriessen (Commission); Mr Maher; Mr Andriessen; Mr Maher; Mr Albers; Mr Andriessen; Mr Moreland; Mr Andriessen; Mr Davern; Mr Andriessen; Mr Clinton; Mr Andriessen	111
4. <i>Budgetary policy for 1984 (continuation):</i>		• Question No 42, by Mr Davern: 'Imported' inflation in Ireland:	
Mr Alavanos; Mr Adam; Mr Lange	92	Mr Ortoli; Mr Davern; Mr Ortoli; Mr J. D. Taylor; Mr Ortoli; Mr Enright; Mr Ortoli; Mr Maher; Mr Ortoli; Mr McCartin; Mr Ortoli	113
5. <i>Ethyl alcohol — Report (Doc. 1-1192/82) by Mr Dalsass:</i>		• Question No 43, by Mr Deniau: Growth of inter-German trade and repercussions on trade within the Community:	
Mr Dalsass; Mr Hord; Mr Dalsass; Mr Hord; Mr Gautier; Mr Früh; Mr Hord; Mr Maffre-Baugé; Mr Purvis; Mr Cottrell; Mr Galland; Mr Purvis; Mr Maffre-Baugé; Mr Galland; Mr Louwes; Mr Eyraud; Mr Ligios; Mr Richard (Commission); Mr Dalsass; Mr Bocklet; Mr von der Vring; Mr Forth; Mr Patterson; Mr Dalsass; Mr Prout; Mr von der Vring; Mr Bocklet; Mr Griffiths; Mr Van Minnen; Mr Patterson; Mr Vernimmen; Mrs Kellett-Bowman; Mr Clinton; Mr Richard; Mr Prout; Mr von der Vring; Mr Dalsass; Mr von der Vring; Mr Dalsass; Mr Louwes; Mr Hord; Mr Pranchère; Mr von der Vring	94	Mr Narjes (Commission); Mr Deniau; Mr Megahy; Mr Narjes; Mr Sieglerschmidt; Mr Narjes; Sir Fred Warner; Mr Narjes; Mr Antoniozzi; Mr Narjes	115
6. <i>Agriculture in the Highlands and Islands of Scotland — Report (Doc. 1-1177/82) by Mr Provan:</i>		• Question No 46, by Mr Israël: United Kingdom membership of the European Monetary System:	
Mr von der Vring	107	Mr Ortoli; Mr Paulhan; Mr Ortoli; Mr Albers; Mr Seligman; Mr Ortoli; Mr Clinton; Mr Ortoli	117
7. <i>Statement by the Bureau on the interpretation of Rule 85 of the Rules of Procedure:</i>		• Question No 48, by Mrs Dury: Creation of 'employment zones' in Brussels:	
Mr Nord; Mr Dalsass; Mr von der Vring; Mr Pranchère	107	Mr Andriessen; Mrs Dury; Mr Andriessen; Mr Patterson; Mr Andriessen; Mrs Lizin; Mr Andriessen; Mr Antoniozzi; Mr Andriessen	118

- Question No 50, by Sir Fred Warner:
The shooting of thrushes:
Mr Narjes; Sir Fred Warner; Mr Narjes;
Mr Gontikas; Mr Narjes; Mr Gontikas;
Mr Narjes; Mrs Poirier; Mr Narjes; Mr
Muntingh; Mr Narjes 120
- Question No 51, by Mr Rogalla: Coal
production:
Mr Davignon (Commission); Mr Rieger;
Mr Davignon; Mr Purvis; Mr Davig-
non; Mr Gontikas 121
- 10. *Agriculture in the Highlands and Islands of
Scotland (continuation):*
Mr Provan; Mr Tugendhat (Commission);
Miss Quin; Mr Clinton; Mr Bangemann;
Mrs Ewing; Mr Tugendhat; Mr Paisley; Mr
Muntingh; Mr Protopapadakis; Mr Hutton;
Mr Provan 122
- 11. *Indicator substance in milk — Report (Doc.
1-1175/82) by Mr Diana:*
Mr Diana; Mr Burke (Commission); Mr
Vernimmen 129
- 12. *Votes:*
Mr Alavanos; Mr Provan; Mr Muntingh;
Mr Alavanos 131
- Annexes:*
Mr Chambeiron; Mr Bournias; Mr Kyrkos; Mr
Albers; Mr Ziagas; Mr Gouthier; Mr Ephremidis;
Mr Saby; Mr Forth; Mr Balfour; Mr Kyrkos . . . 133

IN THE CHAIR: MR VANDEWIELE

Vice-President

(The sitting was opened at 9 a.m.)¹

Mr Clinton (PPE). — Mr President, on the agenda I was told by the chairman of my group last night that a motion for urgency on the dumping of alcohol was considered by the Bureau and that it was decided to take it in joint debate with the Dalsass report. Now there is nothing on the agenda to indicate that such a joint debate is taking place. I wonder whether it is an accidental omission or whether there is some misunderstanding on this matter?

President. — Mr Clinton, with regard to this matter I have just been told that it was discussed at the meeting of the political group chairmen, which I did not attend, and that it was decided that it would not be taken in a joint debate. You are now asking that this should be done. Is that what you want?

Mr Clinton (PPE). — Mr President, if I could further clarify the position. What I was told by the chairman of our group was that it was discussed at the Bureau meeting and it was decided that it was not necessary to have it as an urgent procedure item and that it could be discussed in a joint debate with the Dalsass report. Now there is no mention of it at all in relation to the Dalsass report on the agenda. That is the point I am raising and would like clarified.

President. — Mr Clinton, Mr Vinci, who attended the Bureau meeting, has just informed me that the matter was not discussed in these terms. You have been misinformed therefore. However, if you wish to follow up your request, then I shall get in touch immediately with the Bureau to see to it that the House can take a decision on this matter when we discuss the motions for urgent procedure at 3 p.m. this afternoon. The plenary Assembly always has the final say in such matters and is perfectly free therefore to decide to have a joint debate. I note your request therefore and shall also discuss it with Mr Barbi, the chairman of your group, who will be at the Bureau meeting that is to be held shortly. We shall take your remarks into account and shall do our utmost to come up with a solution to this problem. The final decision, however, lies with the House.

Mr Provan (ED). — Mr President, I would like to support Mr Clinton, because I think that if there is an urgent resolution that comes forward then it should be possible for Parliament, when having a debate on a certain subject, to subsume along with that debate anything else like this that comes along. I would strongly support Mr Clinton in what he is trying to achieve, namely, to save Parliament a great deal of time.

President. — Ladies and gentlemen, as you can see, we have a certain amount of confusion here, because we have not been clearly enough informed with regard to the decisions taken by the political group chairmen when the agenda was being discussed. Obviously, I could not attend that meeting, so that I can not give a decision here and now on this matter that we are discussing. I would ask those concerned with the Bureau meeting to bring up this matter with the President.

¹ Approval of the Minutes: See Minutes.

President

You will then get a clear answer this afternoon. I shall also take note of Mr Provan's remarks.

Mr Provan. — I agree with you entirely, Mr President. But does the point not arise that we may well have debated the Dalsass report before you get a decision? That is surely the crux of the problem. We are likely to debate the Dalsass report, I would have thought, at about 10.30 or 11 o'clock this morning.

President. — The President will shortly be opening the Bureau meeting. I am also going there at 10 a.m. In the meantime, we shall get in touch with the President to acquaint him with the request just made by Mr Clinton and Mr Provan, which is probably supported by other Members, and to try to work out a solution. Do please give us a little time to deliberate on the matter. We shall certainly do so before the Dalsass report is called.¹

1. *Implementing Rule 8 of the Rules of Procedure*

President. — The next item is the report (Doc. 1-1097/82) by Mr Nord, on behalf of the Committee on the Rules of Procedure and Petitions, on the provisions implementing Rule 8 of the Rules of Procedure (declaration of Members' financial interests).

Mr Nord (L), rapporteur. — (NL) Mr President, the subject under discussion this morning has a long history, even in this House. Since 1974, when the British Conservatives first raised this issue in this House, proposals have been circulating and reports produced, but none have reached the floor of the House until our Committee on the Rules of Procedure and Petitions drafted this report for submission.

Why, Mr President, did it take nine years before we could debate this on the floor of the House? The reason is that ideas, customs and public opinion in this sphere vary so much in our national parliaments, and national traditions are very different. Hence the task of the Committee on the Rules of Procedure and Petitions was to see whether perhaps a little bit of European parliamentary tradition could be created which might meet with a general consensus in this House. This morning's debate and tomorrow's vote will show whether our committee succeeded in this task.

If, Mr President, one wants to create a little bit of European parliamentary tradition, then one should ideally take the best of what has been achieved so far in the Community as a basis. With regard to today's issue, namely, the stance Members of Parliament ought to adopt when wishing to speak in a debate on a

subject of direct financial interest to them, the United Kingdom in particular has an excellent tradition here, namely, that they *declare an interest* before they speak in the debate. We thought that an excellent custom, and the first part of our proposals is that this should be introduced in the European Parliament. This is taken up in Article 1 of the provisions which we suggest should be annexed to our Rules of Procedure. Our committee's view on that was unanimous. We were not quite all of the same mind on the second part of our proposals, on the question of whether Members of Parliament should be obliged to give a written list of their financial interests. There are two opposing views on that which can be summarized briefly as follows.

The first view is that Members of Parliament should be obliged to submit a detailed list in writing of all financial interests that they or any members of their families may have. Some Member States have such a system. This is opposed by others who argue that such information should be private, that we are living in an age where Members of Parliament are also covered by legislation to protect privacy, that even Members of Parliament are entitled to their privacy being respected, that in any case this type of information could be used for political mud-slinging and that therefore Members of Parliament should not be obliged to provide this information.

These two opposing views were represented in our committee, as they have been in this House for the past nine years. That is why we took the following as our basis in this present proposal. Firstly, there is no clear European consensus here which enables us to propose a detailed rule. We must limit ourselves to a simple rule which may constitute the beginning of a European tradition. Secondly, if one insists on talking about obligations in this area, then such obligations can only be of a moral nature and therefore any sanction can only be of a moral or perhaps political nature, but not of a legal nature. In the last analysis it is the Member himself who must conscientiously decide what he has and what he has not to declare. If you accept this, then you must accept the proposal in our report. We think it normal for a Member of Parliament to declare his professional interests when he has professional interests other than those arising from his being a Member of Parliament. We also think it normal that when he practises other remunerative activities which he considers relevant — and I stress which he or she considers relevant — then he should also declare these. No Member of Parliament should feel ashamed in any way, and we see no possible reason for objection to this.

For these reasons, Mr President, after very lengthy discussions our committee has submitted proposals which we feel should meet with the approval of all Members of this House. They meet the wishes of many people in a number of our Member States without stripping Members of Parliament of that protection of their privacy to which all citizens, including

¹ Documents received: See Minutes.

Nord

parliamentarians, are entitled. On the contrary we believe that this proposal will have the advantage of protecting Members from rumours against which they would have no protection if such a rule did not exist.

Mr President, I shall conclude by expressing the hope that after so many years of examination and discussion in committee the House will endorse this proposal. Then we would have made a start on creating a genuine little bit of European Parliamentary tradition, and our committee considers this highly preferable to more endless rounds of theoretical discussions. We think the time has come to start action and begin with a rule which will have to find its own way into European parliamentary life.

(Applause)

Mr Rogers (S). — Mr President, I am speaking on behalf of the Socialist Group because, as a Vice-President of Parliament, I was responsible on the Committee on the Rules of Procedure and Petitions for dealing with this issue for about 2½ years. Unfortunately, when the proposals that I put forward came in front of the enlarged Bureau, they were rejected, although in the committee there was a pretty fair consensus of agreement. I am very pleased that Mr Nord has now brought this report back and I am quite sure that the Socialist Group can support it.

The one virtue that Mr Nord's report has at the moment is that it establishes in principle the idea of a register of Members' interests. Of course we have to wait and see what recommendations the Bureau will eventually come up with, as suggested in Article 3. This article refers to the register, the form of which shall be determined by the Bureau and which shall be open to the public for inspection. So what eventually comes out of the Bureau will be of great interest to us, and I am quite sure we would want to look at it at that time. However, as I say, we can support the principle that is being put forward in Mr Nord's report, and I certainly would accept that one of the difficulties that my report had in being adopted was that it was too detailed. In fact, it laid down the rules or propositions that the Bureau will probably come up with at the end of the day.

It seems to me rather an arrogance on the part of this Parliament — and I would remind people, when they go to vote on this issue, that it will be regarded as an arrogance — that people belonging to this European Parliament should be above the position of members of national parliaments. In the Anglo-Saxon tradition, in the British Parliament and in the German Bundestag there is a tradition of open declaration of interests. It is not compulsory, but there is a moral imperative that lays itself upon Members to do so. However, Members of these two parliaments are free to make their registration in the light of their conscience and in the light of what they think is relevant. It is not an imposition

on Members, and people register in the United Kingdom and in Germany and in other countries in order to give themselves the freedom to speak on the issues that come up in front of the public assembly. It frees them, as Mr Nord said, from innuendoes that they have a vested interest in what they are speaking on. The register will be quite open and people's positions will be known. They are already known, but what Members will be doing is declaring it openly so that it will be available for Parliament.

This is not a restriction upon Members, and that is why the Socialist Group cannot in any way support Mr Kallias's amendment which would attempt to prevent Members from taking part in a vote if they have a financial or vested interest in the subject under discussion. This, of course, is an absolute nonsense, that people should be elected by their electors and then precluded from voting. It would then also be proper for the public and the electorate to know exactly what a Member stands for and what his interests are. They are known to his immediate electorate, but now they would be known to the general public. The public have a right to know. They have a right to know the interests of their legislators. This afternoon, or whenever the vote takes place, I think that the Socialist Group will be calling for a roll-call vote on this issue. It will be very interesting to see whether individual Members of this Parliament have the arrogance to think that they should have more powers or more rights or more privileges than the members of their own national parliaments.

I am very pleased that within this Parliament there are at least two groups who already operate a voluntary register. The two groups that I know of are the British groups — the British Conservative Group and the British Labour Group. They already operate a voluntary register of interests within their groups which is open and available. In a debate that took place some time ago I was very pleased to hear a Member, for the very first time in this Assembly, preface his remarks by saying 'I have a vested interest in this matter under discussion'. This record belongs to Lord Douro, and I would congratulate him on doing it.

So, Mr President, we will be supporting this report. We will not be supporting the amendments, although I think most of the Socialist Group may be supporting Mr Sieglerschmidt's. I think this is a further weakening of what is at this stage only a report in principle, and perhaps it ought to wait until the recommendations come through from the Bureau. However, that is my personal view. The Socialist Group will probably vote for Mr Sieglerschmidt's amendment. I shall be voting against it.

Mr Malangré (EPP). — *(DE)* Mr President, honourable Members, on behalf of the Group of the European People's Party I would like to thank Mr Nord very much for his answer and for the results of his

Malangré

work. I endorse the report as a whole, both the explanatory statement and the proposals.

The report is a well-balanced one. Its proposals do not prejudice any national parliamentary customs. It provides the desired clarity and openness, while at the same time not allowing for any nosy curiosity. The report takes adequate account of the concerns of the public, Parliament and the individual Members. It follows the right road and enables us jointly to gain experience in this small area of European parliamentary life. I realize from the discussions that at first sight the proposed provisions of the report could give rise to misunderstanding. Of course, a Member who has already entered his profession in the register which is to be provided need not indicate his professional interest in the matter in question again before speaking.

For surely we are not suspicious of professional knowledge and expertise, but welcome it. So may I direct your attention to the final sentence of Article 1, which contains a reference to Articles 2 and 3, i.e. to declarations already entered in the register.

I ask you to reject all the amendments except for Mr Sieglerschmidt's amendment to Article 1, which is purely an editorial improvement.

Mr Forth (ED). — Mr President, I am allegedly speaking on behalf of the European Democratic Group, which in itself is a rare event. But I must say immediately that since my group has decided that it shall have a free vote on this matter, whether I can speak on their behalf is an interesting point. However, I believe I can say a few words which will gain fairly general agreement.

I must first pay tribute to Hans Nord for guiding us in his expert way through this very difficult area. We are very grateful in the Committee on the Rules of Procedure and Petitions to have had his abilities at our disposal in putting together a very difficult report in the light of the factors that he mentioned earlier and the great diversity of custom and experience across the Member States of the Community in what can be a fairly delicate matter. Some of the discussions that we had in the committee reflected the sensitivities and feelings that many colleagues had about this area. Indeed, since about 1974, when I think one of my colleagues, Sir James Scott-Hopkins, first raised this matter in this House, we have been trying to find a broad basis of agreement on which to establish some sort of code of practice and rules in this House on the matter covered by the report.

I believe that it is important in a democratic system that elected Members' interests, and the factors that can influence them, are as clear as they possibly can be, because the electorate, I believe, expect this and in an era when what is known as open government and

availability of information is on the increase, it is doubly important that this applies equally to the elected Members of a House such as this as it does to anyone else.

You will notice that this report was adopted by a very large margin in the Committee on the Rules of Procedure and Petitions. We in the committee hoped that this would reflect a broad basis of support in the House. I hope that this will prove to be the case. After all, when people seek election to office in a democracy, they must expect that the public and the electorate have a reasonable expectation to know what sort of influences may be brought to bear on Members' voting intentions at various times, and this is why I believe — and I am sure most of my colleagues will agree — that, certainly as far as the proposed Article 1 is concerned, it is only reasonable to expect people to declare a direct financial interest when they make a speech in the House, simply so that other colleagues and the electorate may know not only what expertise they might have on the matter but also what influences may be brought to bear on their voting intentions. This, I would have thought, should be fairly uncontentious.

What has caused some slight difficulty is whether or not the register and the matters referred to in Article 2 should be compulsory or voluntary. All I would like to say about that, Mr President, is that if they were left on a voluntary basis, you would then get a very wide interpretation of this right across the House. Some people undoubtedly would comply, others would feel that they did not have to. This, I believe, would severely undermine the purpose which underlies this report and this whole approach. Therefore I would want to vote for the text as it stands in order to gain a degree of uniformity of approach which I think is what we are looking for and what is absolutely essential.

In conclusion, Mr President, I hope that the House will provide a sufficient basis of support in our voting on this matter tomorrow to get this code of conduct and these rules and these articles into our Rules of Procedure, in order that the House may proceed on this basis and that we can give the electorate, right across the Community, a greater degree of confidence in what we are doing and show that we all have nothing to hide, as indeed we do not.

Mr Sieglerschmidt (S). — (DE) Mr President, honourable Members, a Member of Parliament holds an important public office. This office imposes obligations.

Nobody is forced to accept this office or to take on the accompanying obligations. In the view of the Socialist Group, one of these obligations is that the Member must be prepared to live in a glass house as regards his economic situation, or at least as regards

Sieglerschmidt

his earnings. This does not impinge on his personal life. At least, I do not feel it affects my private life.

As we all know, and as the rapporteur, whom I heartily thank for his report, has told us, this proposal is a compromise between various traditions and, if I may keep to the same simile, what it proposes is not a glass house. It is a house that has several windows, but it also has quite a few curtains on the window. In this respect, that is the furthest we are prepared to go and it is what we are prepared to tolerate. But may I say at once and clearly that if Mr Moreland's amendments were adopted, we would no longer find the report acceptable and would vote against it.

A final remark on the two amendments I have tabled, which are backed by the Socialist Group. The first is rather more technical. I feel that in this connection it is better to speak of . . . than of bodies.

The second tries to structure the important provision of Article 2(2) of these guidelines more clearly, in order to establish a certain responsibility on the part of the Member, so that if his income from elsewhere, his non-professional income, exceeds a certain limit, he can no longer choose whether to declare his income but is bound to do so. If he does not fulfil this obligation, the public will be fully aware of it and take careful note.

President. — Mr Nord, would you like to say something by way of reply at this stage?

Ladies and gentlemen, I feel that it is only fair to give the floor once more to the rapporteur who, as a former Secretary-General of Parliament, has years of experience in these matters.

Mr Nord (L). — (NL) Mr President, very briefly. I should like to thank the spokesman of nearly all the political groups for their support of our proposals. This debate has shown publicly once more, as we have known for years in our committee, that attitudes and traditions in our Community differ very much in this area and that our committee could do little other than proposing what it has done if it is to meet with a minimum of consensus for the start of a European parliamentary tradition. I have understood from the various statements that a large majority in nearly all the political groups will be good enough to vote in favour of this report, and I think this is something to be warmly welcomed.

President. — The debate is closed.

The vote will be taken tomorrow morning at 10 a.m.

2. Budgetary policy for 1984

President. — The next item is the report (Doc. 1-1321/82) by Mrs Scrivener, on behalf of the Committee on Budgets, on the guidelines of the European Parliament on the budgetary policy of the European Communities for 1984.

Mrs Scrivener (L), rapporteur. — (FR) Mr President, my dear colleagues, in each of the past several years the European Parliament has held a general debate on the guidelines for the budgetary policy of the Communities for the following year.

This debate has been brought forward this year to the March plenary part-session to enable the Commission to take account of Parliament's wishes when drawing up its preliminary draft budget. These guidelines are also to serve as pointers for the Council when preparing its draft. Here we have concrete evidence of Parliament's desire to ensure effective coordination among the institutions throughout the budgetary procedure.

With your permission, I shall begin with a few general observations. Let us be realistic. The Community cannot expect to tackle all the problems confronting it with a budget representing less than 1% of its gross domestic product. It follows that Community measures should be given preference over national measures only where they offer the advantages of greater effectiveness and lower cost. This approach should help to ensure that available funds are not spread too thinly. It also follows that action by the Community must be consistent with the policies of Member States, whether it be taken through measures complementary to national measures or in the form of Community initiatives as such.

Similarly, the concern for efficacy and consistency calls for the continued pursuit of the objectives laid down in the budgets of previous years. In the light of these considerations the Committee on Budgets has decided unanimously to propose that priority be given to measures to combat unemployment and the campaign against hunger in the world.

The situation on the labour market deteriorated rapidly during 1982: by January 1983 the unemployment rate had risen above 10% of the workforce, with the total number out of work standing at 12.4 million, equivalent to the populations of Greece and Ireland together. This is an unacceptable situation, and we must devote all our energies to remedying it.

The campaign against hunger in the world is also a priority, not only in view of the clear humanitarian imperatives but also because development in the poorest countries is among the factors conditioning our own prosperity.

Scrivener

How, then, are these priorities to be pursued?

In its efforts to combat unemployment, the most effective policy that the Community can apply at the present time is a policy of support for productive investment. It has to be recognized that the decline in investment is one of the essential causes of the current crisis in the Community, since it has meant that part of the fabric of the productive system has been allowed to age at a time when international competition has been developing. Support for productive investment provides the means of achieving a twofold impact on the economic crisis, by sustaining demand in the short term and by improving the competitiveness of manufacturing and service industries in the medium term.

The Community budget should therefore provide finance for concrete action affording direct and indirect support for investment in both human and economic resources, using all the budgetary and financial instruments at the disposal of the Community. This means the development of human resources through the most strenuous efforts to raise standards of vocational skills among the workforce, equipping workers to adapt to the technological changes that are currently taking place. Special emphasis should be laid on training for young people aged between 16 and 18, for it is they who stand in greatest need of vocational skills.

Secondly, it means providing investment aid to small and medium-sized businesses, since they employ a large proportion of the industrial workforce. They also have considerable capacity for innovation, but it is also true that many of them are financially vulnerable. This support could be organized through the operations of the Regional Fund and the lending activities of the Community and the European Investment Bank.

Finally, it means support for selected activities which will have a strong influence on Europe's economic future: new technologies, innovation, growth industries, research, energy strategy. These guidelines are compatible with the Parliament's position as set forth in the resolution on the annual economic report adopted on 19 November 1982. They also coincide with the views expressed by the Commission, notably in its communications to the Council of 8 June and 14 October 1982, and by the European Councils, particularly the one held in Copenhagen last December.

This consistency in the views expressed by the Parliament, the Council and the Commission augurs well for the forthcoming budgetary procedure. Investment aid to industry, improvement of transport infrastructures and development of vocational training are all essential aims. However, if each is pursued separately from the others, no lasting solution to the employment problem will be found. Simultaneous concerted action on all three fronts is necessary in order to achieve positive results. In particular, care must be taken to estab-

lish close coordination between aid to industry and European Social Fund operations, which are the two instruments of a single policy.

With regard to the developing countries, aid should not be confined to emergency aid but should seek to promote self-sufficiency in food, so that training should be provided locally. This is not merely a humanitarian aim but one which coincides with the true interests of the Community.

My dear colleagues, it would be impossible, as you will appreciate, for me to speak on this report without referring to the common agricultural policy. It is an essential contributory factor to European integration. Like it or not, without the common agricultural policy there would be no Community today. It is a widespread misapprehension to believe that the common agricultural policy is responsible for the lack of other common policies, whereas in fact it is the collective will to create new policies that is wanting.

This said, it is clear that the efforts made thus far to achieve savings through tight management and re-examination of the effectiveness and usefulness of some of the arrangements must be continued. Measures to combat fraud and monitoring procedures need to be strengthened. At the same time, we should be looking into ways and means of containing the development of surplus production.

Before concluding I should like to stress the importance of the December vote on the supplementary budget for 1982 and the subsequent vote in February on the supplementary budget for 1983. Parliament affirmed that the real problems raised by circumstances in certain Member States could not be solved by *ad hoc* measures adopted outside the framework provided by Community policies. I therefore take this opportunity of reminding the Council and the Commission now, at the beginning of the budgetary procedure, of the need to adopt the measures required for the development of clearly defined effective common policies making for practical solutions to the problems confronting the Community.

I do not propose to discuss the future financing of the Community at this stage since, as you know, it is to be the subject of a special report by the Committee on Budgets.

Concerning the amendments — which I have examined with care — I should like to remind the House that the motion for a resolution before it is concerned with the general guidelines for the 1984 budget. Some of the amendments are concerned with a later stage in the procedure, and it would be preferable in my view to postpone consideration of them until the appropriate time.

Others deal with subjects already covered in the motion for a resolution, but in a slightly different way.

Scrivener

Your rapporteur believes that this motion for a resolution depends for its impact on clarity and precision and is therefore very concerned that it should not be lengthened unduly. However, I believe, Mr President, that I shall have an opportunity to give my opinion on each of the amendments when the time comes for voting this evening.

I should like to conclude, Mr President, my dear colleagues, by expressing the hope that these guidelines will enable the Commission to submit a preliminary draft budget in keeping with the wishes of Parliament and that this last budget before the next elections — and this is a matter of great importance to us — will provide the basis for concrete measures which will demonstrate to the peoples of Europe that Parliament is actively pursuing the objective of European integration.

Mr Herman (PEE). — (*FR*) Mr President, my dear colleagues, on behalf of the Committee on Economic and Monetary Affairs, deputizing for Mr Giavazzi who is indisposed, I should like to express support for the general guidelines set out in the Scrivener report.

However, we hope that it will be possible for us, without unduly lengthening the text or detracting from its concision, to introduce a few amendments which, in our view, reflect the real priorities shared — for once — by the Parliament, the Council and the Commission. I refer to use of the economies of scale to be derived from a true common market.

We are all aware of the enormous amount of work which still needs to be done in order to achieve freedom of movement for goods, persons and capital. Although this is essential to a recovery in economic growth, and therefore to a reduction in unemployment, no reference is made to it. We nevertheless believe that this aspect has budgetary implications. It will be necessary to set aside, not large amounts, but appropriate budgetary resources for certain measures. This is the purpose of Mr Giavazzi's Amendment No 8 to paragraph 2 of the motion for a resolution.

We also find that the reference to the financial instruments, calling for a qualitative improvement, is too modest. It is always desirable to take action to achieve higher standards of quality, but we believe that there is also a need — dictated by the crisis — for a less marginal quantitative development, and for new financial instruments. This view is shared by Mr Ortoli and the Commission. It must be supported, and this is the purpose of our Amendment No 9.

We also believe that special attention should be paid to small and medium-sized businesses in investment aid and support for activities of essential importance to economic development; this has been the consistent policy of this Parliament, with unanimous support from all sides. We feel that this can be included in the

text without adding unduly to its length, and accordingly propose Amendment No 7.

We also think that it would be wrong to depart from the course set in the previous budget, in which there was some emphasis on regional policy and the Regional Fund. I feel that we must keep to this course, since regional policies are a very useful medium for tackling various problems of economic development. This is the intention of our Amendment No 6.

On the problem of agriculture, it is desirable to reaffirm the broad principles of the CAP — of which I am a strong supporter — but I believe that we must not disregard the extremely disturbing problems of surplus production and the trade war now developing with the United States. Paragraph 8, which, if I may say so, is a little bald, could be expanded and made more explicit, particularly as regards ways of reducing surplus production.

You have said that the problem of own resources is to be the subject of a separate report, but I feel that it would not be out of place in a document seeking to set out the broad outlines of Parliament's priorities for the benefit of the Council and the Commission to make some mention of this matter, if only a reference to another report. The problem of own resources and how they can be increased is of fundamental importance and cannot be left out of the document that we have before us today.

Regarding budgetary methods and procedures, our committee would like to see an examination made of the problem represented by the multiannual nature of certain programmes and certain forms of budgetary expenditure, followed by a proposal from Parliament. We consider that although the principle of annual budgeting is mandatory and should remain so, additional arrangements should be introduced to take account of the many programmes which extend over several years; there is a problem of continuity when working with purely annual budgets, and it is important to find more efficient ways of tackling this problem.

Finally, I think that the point should be made that borrowing policy, which has now developed on a very considerable scale, should be incorporated into the budget. We have the Commission's support in calling upon the Council to take this action and hope that the Council will at last agree to do so.

Mr Patterson (ED), draftsman of an opinion for the Committee on Social Affairs and Employment. — Mr President, the 1984 budget is bound to be, from the point of view of the European Parliament, what we in the United Kingdom would call an election budget, a budget on which we shall be going to the polls. Therefore, I think we should be particularly interested on this occasion in what our voters are looking for. I

Patterson

think there can be very little doubt what the voters will be looking for: they will be looking to the European Community, in so far as it has an influence on the matter through the budget, to do something about the economic crisis and, in particular, unemployment.

Mrs Scrivener mentioned the fact that there are 12.5 million unemployed in the Community at the moment and the number is rising. That represents over 10% of the registered workforce. What we in the Committee on Social Affairs and Employment would also like to point out again is that the rate among young people is 20% and that this is a figure which has very grave social consequences, quite apart from anything else.

Like the last two speakers, we do emphasize the fact that the budget cannot be seen in isolation: it is one of the resources — only one — available to the Community. We would make a particular point that on this occasion a real effort must be made to coordinate what is done in the budget with what is done in other spheres, for example, the borrowing and lending operations and the opening up of the internal market.

In addition, we also feel that Mrs Scrivener is being rather weak when she says merely that the budget must fit in with what the Member States are doing. The Treaties, after all, do provide for much closer coordination of the Member States' common policies, and we believe that the budget must be seen in this context as well. It must be seen as a positive instrument and not merely as a negative instrument filling in the gaps which Member States have left.

Now what are the most useful roles for the budget? Clearly, we agree with Mrs Scrivener that it must be cost effective and must enter those areas where common expenditure would be better than isolated national expenditures. We consider that pilot projects in the social sphere provide a particularly good example of where this expenditure can be more cost effective. It must reinforce current common policies, particularly in the labour market, such as the reorganization of working time. But we would also emphasize much more strongly that it must meet the threat of the disintegration of the Community by reason of disparities.

There is a lot of emphasis placed on geographical regional disparities between poor and rich regions. We would call attention to social disparities as well. I mentioned youth unemployment. If the whole youth generation is turned off Europe and the economy because it has done nothing to help them, that will create social disparities of a very grave kind. I may also mention that of the 12.5 million unemployed 4 million have been unemployed for over a year and so have no prospect of getting a job largely because they are untrained. These are the kind of disparities which could cause the disintegration of the Community if not met.

Mrs Scrivener said that if there were no CAP there would be no Community. My committee is firmly of the opinion that the CAP could also cause the disintegration of the Community if it is allowed to swallow up all the funds available, and that is why we have proposed an amendment suggesting that the Commission this year must make a special effort to see that the CAP does not swallow up the funds which are necessary in order to meet the economic crisis which we face.

Indeed, it means — it happens to suit Parliament but it is also economic sense — a much higher proportion of the budget systematically being transferred to the non-obligatory sector.

About investment. Capital investment, yes; but the Community budget can only contribute very marginally to capital investment. That is a matter for the borrowing and lending operations of which the Committee on Economic and Monetary Affairs spoke. But in the case of manpower we can do something, and we are talking about the Social Fund. We cannot produce jobs, but we can train the young people, the managers and those who are long-term unemployed to take up jobs when the investment in the capital sector becomes available. That is why we agree very strongly with Mrs Scrivener that the training of manpower should be a major priority. But we would go further; we can prepare and train for the new technologies, but we must also not forget those who are hardest hit: the handicapped, the migrant workers and women. This is an area where the Social Fund, of course, is important.

The Social Fund, therefore, must be expanded to meet the demands upon it. Last year in commitment appropriations it rose by 26% and that means that in this year, the current year, there will be a disparity between resources and applications of 120%. The Commission, we understand, is planning in 1984 for a 30% increase in applications — which is, in my opinion, an underestimate — which would mean that in 1984 the Social Fund will need 4 800 million ECU merely to keep pace with the demands upon it. This means, in effect, a doubling of the Social Fund.

We have been asked by the Committee on Budgets to establish our priorities. We shall establish our priorities, but we have a difficulty because, of course, the Social Fund regulation is changing this year from the basis of separate lines for particular projects to a completely new structure. Therefore we cannot at the moment, until we know precisely what lines the budget will have, indicate our priorities in detail.

Of one thing we are certain, however: if the budget does not carry out something approaching a doubling of the Social Fund this year, it will have failed to do what the voters are looking for, namely, to meet the threat of unemployment and the disintegration of the European Community. That is what I think we want to impress on Commissioner Tugendhat, namely, that

Patterson

the voters are going to be looking in May or June 1984 for real proofs that the Community has done something to help them, and we believe the 1984 budget is one of the instruments where we can make a start.

IN THE CHAIR: MR PFLIMLIN*Vice-President*

Mr Tugendhat, Vice President of the Commission. — Mr President, may I begin by welcoming Mrs Scrivener to the rapporteurship and to say how very much we in the Commission look forward to working closely with her. I would also like to congratulate her on ensuring that this debate on the guidelines for the budget should be taking place as early in the year as it is. As she says, it means that the Commission will have an opportunity to take account of Parliament's views in setting its own priorities and in drawing up its own budgetary guidelines. She would, I am sure, agree that the Commission must maintain its independence and its right of initiative, and therefore when I say that we will follow closely what is being said here, I cannot give a guarantee that we will necessarily adopt precisely what is said, though my experience of parliamentary debates is that there is perhaps likely to be a somewhat different emphasis emerging from different speeches from different parts of the House. But at all events I can assure the rapporteur and the House as a whole that we will be following very closely what is said and that we will bear in mind all the various views that are expressed here when we come to draw up our budget.

Certainly, as far as the rapporteur's report is concerned, there can be very few doubts. It is an exceptionally clear, concise and timely document. If everything proceeds with as much clarity from here on, then I think we should have a very businesslike budgetary procedure.

It will come as a surprise to no one that the report from the Committee on Budgets suggests that the priorities Parliament identified for the 1983 budget, the fight against unemployment and the campaign against hunger in the world, should remain the targets of Community policy in connection with the 1984 budget. Despite the efforts that are being made, these problems remain acute. Thus the Commission wholeheartedly supports the view that efforts must be made to find effective and durable ways of combating unemployment and trying to alleviate the problems of hunger in the world.

So far as unemployment is concerned, productive investment must be at the heart of the Community

strategy. Mrs Scrivener has identified a number of areas, notably various forms of training, assistance to small and medium-sized enterprises and support for certain vital activities such as energy research, transport infrastructure and various growth industries.

Concerning the fight against hunger in the world, the Commission shares the view that great attention needs to be given to helping the poorest countries to produce the foods they need. The Commission also recognizes the reality that lies behind the statement that aid to the developing countries is not simply a humanitarian gesture but is also essential for the economies of the industrialized countries. The Commission shares too the view that structural funds should be directed towards measures more specifically geared to the Community. The Commission has, of course, made clear its views on the way in which it thinks the Regional and Social Fund should be developed and urges the Council to take early decisions with respect to the two proposals now before it. The Commission hopes that work will soon get under way on a very recent initiative concerning integrated programmes for the Mediterranean regions, although the real budget impact of these programmes would not be felt until after 1984.

It would also remind the House that the Commission expects shortly to come forward with proposals concerning the development of a number of important directives which are central to the Community's current actions concerned with agricultural structures.

The House is already aware of the Commission's views on such important issues as the role a Community energy strategy should play in revitalizing industry, the continuing need for the restructuring of the iron and steel industry, the rapid progress to be made in telecommunications, in research and development and transport infrastructure. President Thorn, in his address to Parliament just a month ago, outlined the Commission's approach to these and other matters.

The Commission is now actively considering the budget form it believes these various activities should take. This consideration will, of course, be stimulated through the contributions made by honourable Members to this debate.

The House has had an important debate on agriculture earlier this week, and Mr Herman in his intervention a moment ago recalled the relevance of agriculture to the points under discussion here. I, for my part, would like to recall that, in connection with the common agricultural policy, the report now before the House insists that action be taken to correct the distortions arising from surplus production. Here the House knows the Commission's views which are clearly set out in legislative form in our proposals for prices and related measures for the forthcoming agricultural year. We will know Parliament's view on the need to correct distortions when it votes tomorrow on

Tugendhat

the 1983/84 prices and related-measures proposals. It will be in that vote that Parliament accepts or rejects the opportunity to exercise real influence over the cost of the common agricultural policy. All I would add is that if Parliament does not support the Commission's view on the need to seek effective application of production thresholds as well as a sensible prices policy, it will be too late for complaints to be made in the forthcoming budget procedure that the level of EAGGF guarantee appropriations for 1984 is too high or that it takes too great a proportion of total resources. We therefore will be looking at tomorrow's vote in conjunction with the vote in this report when it comes to getting a clearer idea of what Parliament's budgetary guidelines actually are.

On own resources I would like to tell the House that the Commission intends to adopt a proposal in May, possibly early in the month. At about the same time, according to the pragmatic timetable, the Commission will have to adopt our preliminary draft budget. The Commission has noted and agrees with the view of the Committee on Budgets that the present imbalances in the Community budget can only be eliminated by strengthening and improving Community policies and by the introduction of a more efficient system of finance. The Commission, of course, looks forward with considerable interest to hearing Parliament's considered view on our green paper entitled 'The Future Financing of the Community'. I gather that the rapporteur in the Committee on Budgets has that work in hand.

That, Mr President, is really all that I wish to say on behalf of the Commission at this stage, except to add the Commission's best wishes to all those who will be actively engaged in the budget procedure and in particular, of course, to Mrs Scrivener for the work to be done over the coming months. The 1984 budget, as Mr Patterson said, will be the last complete annual budget procedure before the next direct elections. The Commission looks forward to helping the budget authorities with their task, so that the budget for 1984 may not only be adopted in time but may really mark a positive advance for the Community as a whole.

Mrs Nicolaou (S). — (GR) Mr President, ladies and gentlemen, on behalf of the Socialist Group I would like to make certain comments concerning the report by our colleague, Mrs Scrivener, on the guidelines for the 1984 general budget of the Communities.

To begin with, allow me to stress that the debates on the budgets — both general and amending — in the last few years have taken as a point of departure the basic fact that the Community's present policies cannot effectively face up to the major problems generated by the economic crisis, which, as has been proved, is more an organizational one than the product of random events.

Parliament, and in particular the Socialist Group, have throughout these years been in the forefront of efforts and pressures to develop new common policies. Unfortunately, however, here we are debating the 1984 budget, and not only are we obliged yet again to move within the restrictive frameworks of existing policies but we do not even have specific proposals that outline the future institutional framework of the Community with any clarity. However, it must be acknowledged that certain important steps have been taken, and the importance of Parliament's self-imposed decision no longer to accept *ad hoc* measures must be stressed. This will certainly be a serious motive for the review of the policies, to bring to an end the transitional period that has lasted for so many years. We hope that the 1984 budget will be the last of the transitional budgets. We know that the 1984 budget will again not be reorganized to an extent that will be able to cope with the great demands of our times. Nevertheless, the debates on the 1984 budget, and the specific choices that will follow them, are sure to approach more closely than was the case in previous budgets to the permanent solutions that will inevitably have to be promoted during the course of this year.

As usual in the present phase, the Scrivener report is a statement of general principles intended to serve as a basis for subsequent procedures. It should therefore be judged with this in mind. As is known, the European economy continues along a path of decline and the problem of unemployment is getting worse. Specifically, the forecasts concerning the development of unemployment in the second half of 1983 are worse than they have been for a decade. On the other hand, the level of investment is not even high enough to cover the necessary replacements, with the result that we are in effect suffering from de-investment. Besides, the Third World debt has reached disturbing proportions. And on top of all this, current economic opinion is divided and nonplussed in the face of the problems raised by the crisis.

As Socialists, it is natural that we are particularly sensitive to the problem of unemployment. As a group, we have in the past never let slip an opportunity to take initiatives in the fight against unemployment, though unfortunately many of these were not accepted by a majority of the European Parliament. For this reason we welcome the fact that in 1984, as in 1983, the fight against unemployment is a prime target. And of course the fight against unemployment must in the last analysis mean investment in human resources, material resources and research. The problem, however, is with what means these investments are to be promoted, in which sectors they are to take place, who is to bear the cost of the investment activity and how this is to be distributed in different areas. There is also the problem of selecting the technologies in which the investments are to be realized. Even in the 1970s technological advances did away with jobs in some traditional activities but created more jobs in other fields with the result that the number of jobs overall increased. In

Nicolaou

contrast, in the 1980s it seems likely that technological advances will lead to a pronounced reduction in the number of jobs available.

Turning now to the role of the Community, the Scrivener report correctly points out the need for an effective common investment policy. However, in outlining the basic directions of this policy, it steers clear of the vital issues and confines itself to general points. We know that the Community's resources are limited. However, we believe that if the Community can coordinate its activities with national activities and extend their scope with new ideas and programmes, it can play an important part in the fight against unemployment. Apart from unemployment, another problem that should occupy us is that of the regional inequalities within the Community. We cannot ignore the fact that 20 years of Community policies have led to a continual exacerbation of the inequalities between one region and another. We would have liked the Scrivener report to be more clear and specific in its attitudes to this point.

As for the fight against hunger, emphasis must be placed on improving the conditions of life in the Third World and on broadening the productive basis of those countries. There is no doubt that if the Community is to contribute effectively to overcoming the crisis, but also if it is to ensure its own cohesion and continued development, sufficient resources will have to be committed. The Socialist Group is in favour of increasing revenue by increasing VAT to more than 1%, always providing that this is combined with a sufficient degree of progressiveness in the basis of taxation and with a correlation of revenue and expenditure that will ensure fiscal equilibrium, promote a more balanced development of the various policies and reinforce the redistributive role of the budget.

Notwithstanding certain reservations, the Socialist Group will vote in favour of the Scrivener report.

Please permit me now to make a comment on my own behalf. The Scrivener report does not lay sufficient emphasis on the problem of regional inequalities within the Community and makes no reference at all to integrated Mediterranean problems. For this reason I have submitted relevant amendments. The votes of the PASOK Members will be guided by the fate of those amendments.

Mr Adonnino (PPE). — *(IT)* Mr President, ladies and gentlemen, it is becoming the consolidated practice of this Parliament, at the beginning of the year, to indicate the guidelines for the Community budget in a resolution. Our particular budget procedure provides for the power of decision to be shared between Council and Parliament. It seems to me that this year it is particularly desirable to emphasize this aspect, because the decisions regarding the 1982 supplementary budget, which then became 1/1983, have clearly

shown Parliament's ability and power to influence, significantly, Community policies and actions, and to indicate the best course to pursue for the development of the Community, even allowing for the difficulties that the Council, as we know, encounters where taking decisions is concerned. I think that this should be said, in recognition to the Commission of the correctness of what Commissioner Tugendhat said a short time ago: the Commission is undoubtedly autonomous where its decisions are concerned; and keeps its right of proposal intact. It is however as well that it should know the view that Parliament takes, so that this can be taken into account with a view to the hoped-for convergence of positions.

I heard a member emphasize, in my view a little too emphatically, the fact that we are starting to discuss a budget that will be an election year budget. From a pragmatic point of view, the observation is undoubtedly relevant. On the political standpoint, however, it is less relevant, because in my view the citizens who will be voting in 1984 will judge the Community and the Parliament and its members by what they have been able to do in the five years of this Parliament's lifetime, and not simply by the contents of the 1984 budget, the new features of which, or the already established policies, are in any event the result of the way we acted over the previous years.

The reference in Mrs Scrivener's report to previous decisions — a reference that recurs also in our discussion today — shows in fact the continuity of this action and the consistency of approach, which I think can be summed up as follows.

First: special attention to the most significant problems of the moment. Hence the underlying theme of our budget is the crushing, dramatic domestic problem of growing unemployment, together with the equally dramatic external problem, the so-called 'world hunger problem', to resolve which — since it is our duty to attempt to deal with the former, and our resources are limited — we shall certainly be able to do far less than we should like.

Second: support for the CAP. Naturally, we too are convinced, as has already been recalled, that distortion, such as is evident in particular in regard to excess production and problems related to uncertainties and errors of management, must be stamped out. Commissioner Tugendhat has said that he awaits tomorrow's vote on the farm prices with interest, and I hope that Parliament will make its views clear so that, by applying this important policy correctly, it may be possible to save financial resources that can then be allocated to other actions that we are interested in.

Third: the development of policies and actions that have so far only been applied without much vigour, or the launch of new policies and initiatives capable of having some effect on the economic stagnation of the Community, and of contributing to the convergence

Adonnino

of the economic policies of Member States, which is necessary, and the elimination of the disparity in productive capacity and income levels between the various regions of the Community, which is still very great.

Fourth: the correction of the financial imbalance — this follows on from the previous point — that is clearly evident between the different countries of the Community, thus providing considerable new impetus towards the redistribution of Community resources, a problem which can no longer be put off by our Community. All of this, naturally, with an eye to the prospects of enlargement, which will be claiming our attention in the very near future.

Finally, of course, there is the problem of the proper management of Community finances.

The Group of the European People's Party, on whose behalf I am speaking today, supports Mrs Scrivener's report, and will vote for the resolution. I should like to thank Mrs Scrivener for the diligence and promptness with which she has tackled the problems and submitted her proposals to this House today.

Just a few, very brief observations, however: we consider that, for the fight against unemployment, the Social Fund should unquestionably be used. Since, however, it is more specifically concerned with vocational training and re-training, we cannot overlook the need also, on the same line, for an increase in the Regional Fund, to stimulate economic revival through productive investment and provide support for the labour market.

For this reason we also consider that in this connection the actions of the Social Fund that should be given priority are those envisaged in Article 5, rather than those in Article 4. In the same connection — as other Members have also pointed out — the resolution must make provision for those integrated Mediterranean programmes about which a great deal has been said and which we hope may be a decisive force in solving some of the problems of this Community. We have in fact put forward an amendment along these lines so that some specific initiatives may emerge, with provision for them in the 1984 budget.

With regard to aid for the developing countries, I should like to recall the difficulty experienced by the beneficiary countries in absorbing the financial resources allocated to them, often because of their structural deficiencies. Special attention must therefore be directed to a better distribution of resources, to be used above all for the setting up of effective structures. Similarly, where food aid is concerned, the question of diversification of products that has already been referred to on other occasions also needs tackling vigorously.

Ladies and gentlemen, we agree on the importance of aid to small and medium-sized enterprises, and the

broadening of the prices policy of the Community. I should only like to recall that we have put forward amendments to correct the way the emphasis — perhaps unintentionally — is placed in Mrs Scrivener's resolution, where the fight against fraud and waste is concerned. We should like this to be taken as a general commitment of the Community encompassing all policies, all expenditure, and not only those connected with agricultural policy.

These then are the lines along which, ladies and gentlemen, the Group of the European People's Party will vote to support the resolution put forward by Mrs Scrivener, with the hope that those for whom these guidelines are intended — the Commission in the first place, and then the Council — may accept it and may thus, together with Parliament, provide a considerable boost to the growth of the Community, through the Community's budget.

Mr Balfour (ED). — Mr President, Parliament is fortunate to have found yet again a clear-headed budget expert as its rapporteur. We in this group look forward very much to working with her.

I happen to agree, and so does my group, with the priorities she has put before us. They are of a general nature, but she has been extremely precise. She calls for investment support to strengthen the competitive position of enterprises. Surely this is right if we are pushing for the long-term viability of jobs and investment — investment in training, re-training, re-deploying manpower. Surely it is the right priority if we are trying to move towards a proper use of public funds. She calls for a boost to productive investment, particularly that which is directed towards the real job and wealth creators — the small companies. This is the right priority. She calls for further support of new technologies and innovation, and in the 1980s how can we forget that? She has not forgotten aid to the developing world, but rightly emphasizes that the precondition for all this is to make our economy strong and our jobs secure and productive.

Paragraphs 6 and 7 remain to be seen in the light of what this Parliament does this week on agricultural prices. Commissioners — not only Mr Tugendhat — find it increasingly difficult to be polite to this House about the inconsistent attitudes which we have adopted when we speak with our budget hat and when we speak on agricultural prices.

I am glad that our rapporteur, in her guidelines, has called for better controls and monitoring procedures. Let us try and achieve that kind of objective when we vote with our agricultural hat!

She calls for a correction of the distortions created by surplus production. I happen to represent a predominantly agricultural constituency, and in their interests this House must exercise responsibility and self-restraint.

Balfour

As regards paragraph 8, I hope Mrs Scrivener will allow me to explain my reasons for seeking to make a slight modification of her text. My reasons are these; quite rightly, she seeks to outlaw *juste retour*; quite rightly, she wants to insist that we strengthen Community policies and that this is the only road ahead. So why do I seek to amend that paragraph? It is not because we like the concept of *juste retour*. What we want to do is to isolate the worst kind of *juste retour*. We want to define the worst abuse of that concept. We do not believe that everyone in the Community who pays his or her Community tax should take that amount home. Indeed, I would like to feel that Community citizens resident in my country may one day aspire to be so strong as to be the only contributors to the Community budget.

What I think we would like is to see others prepared to state publicly that they accept and will push for policies from which they and their constituents are not likely to benefit. Unless we have that, then we have not understood the worst excesses of *juste retour*. So what we want is greater fairness. We know this will come and we know it needs time. We may need to consider interim arrangements, and if we do, we know exactly how to justify them. We know exactly how to force Member States and members of Council to do as we please. Yes, this House will give its response to Mr Tugendhat on the new diversified own resources of the Community when we consider his preliminary draft budget, and my group will be putting forward its own views on that. Essentially, we are pleased to note that the Commission accepts that there can be no future in developing new policies, in expanding the Community's own resources, unless, for the first time, the Community begins to push for a greater degree of fiscal equity and more fairness in the system.

I therefore ask Mrs Scrivener and those members of the Committee on Budgets who are here — and I see their faces around me — to do everything possible with us to help the Commission find a solution — short-, medium-, long-term — to the budgetary imbalance. As spokesman for my group, it is pointless for me to make a speech in this House and fail to point out the absolute importance to us of finding a solution to this running sore in the relationship between those who sent us here and the institutions of the Community. Why do we need this so badly? It is because we are convinced of one thing — that unless we share the financing burdens more fairly, the willingness to make progress and the willingness to believe in the goodwill of the Community will be missing. If then I come and ask for more balance, more fairness and more equity...

(The President urged the speaker to conclude)

... If we push for more fairness, I hope Mrs Scrivener's reply to us will not be, 'you want *juste retour* and that is bad.' Because I fear that that may be the response, I have taken the liberty of suggesting a small

amendment, which seeks to re-define *juste retour* and its worst excesses. Let us see if we can start with that as progress for 1984.

Mrs Barbarella (COM). — *(IT)* Mr President there is one thing that must be said clearly and said now, regarding the budget guidelines for 1984: the decision taken by our Committee on Budgets to maintain as its primary objective for 1984 the fight against unemployment, cannot and must not remain, as was the case last year, a pure and simple declaration of intent.

I should like to recall, Mr President, that, apart from an increase of relatively small dimensions in the Social Fund, very little was provided for in the 1983 budget to give any real substance to the fight against unemployment. The 'reflation' of the Social Fund is in fact only a form of aid or, in other words, an attempt to alleviate social stress, if it is not accompanied by specific measures for the creation of new jobs.

We consider that the general economic situation makes it essential — even more so than last year, if that is possible — for the 1984 budget to show that there is a genuine Community industrial strategy to stimulate and support the measures that Member States must take in order to absorb their unemployed.

President Thorn told us, during the last session of Parliament, that the Commission had decided — these are his very words — to give 'absolute priority to making the fight against unemployment and the decline of industry more effective'. We share this aim, and that is the reason why we consider that, far from remaining an expression of intent, it must instead find concrete application in the 1984 budget.

Of course, Mr President, we are aware of the obstacles, and even the resistance, that will lie in the way of any strategy of support for productive investment, and we are also aware of how difficult the quest for agreement between States may be, from the moment a concrete attempt is made to define specific measures in this field.

Nor do we believe that the Commission can offer any miraculous solutions, or carry out impossible and useless 'flights of fancy'. We think only that, in the preliminary budget for 1984, the Commission can and must introduce precise measures that will start to make 'the fight against unemployment' a concrete reality, instead of its remaining an empty politician's catchphrase.

What is more, Mr President, the points that will come out during the debate on employment next sitting can only be along these lines, that is to say, urging both Commission and Council to implement a genuine policy for the revival of productive investment that will result, amongst other things, in the creation of new jobs.

Barbarella

To put it briefly we believe that the 1984 budget should implement new lines of intervention — and I emphasize 'new' — to activate and support a policy for the revival of the European economy — so far, that is, as this can realistically be achieved at Community level. That is why we do not expect the indications given by President Thorn regarding the determination to revive the economy of the Community, and regarding a new strategy for European industry and new own resources, to remain mere statements of principle and sops to troubled consciences; we expect them to become a decisive commitment in the 1984 budget.

Of the many indications given to us by the Commission recently I would like to take two in particular, regarding the 1984 budget: on the one hand, the need for that budget to make adequate provision (by adequate, Mr President, I mean significant on the financial plane) for the provisions of loans by the Community, as an essential aid to the promotion of productive investment both in those sectors that are in difficulty, and in key sectors where development is necessary; and on the other hand, the need for this budget to make a start with the implementation of the integrated Mediterranean programmes, as a contribution to the maintenance and development of essential productive activities in areas of the Community that have not only recently got into difficulty.

In conclusion, Mr President, we should like the new emphasis that this Chamber has noticed on the Commission's part to find expression in a brave initiative, that will make the 1984 budget the first testing bench for a strategy for the revival of production that will oblige the Council of Ministers to face up to its responsibilities, and so make possible those firm steps forward that are more than ever necessary today, for the revival of development throughout Europe.

Mr Louwes (L). — (NL) Mr President, on behalf of my political group, but especially on my own personal behalf, I should like to congratulate Mrs Scrivener on her punctuality in submitting these guidelines to the Committee on Budgets, on their hardly being amended during discussions there and on their being presented to this plenary part-session in March for debate. This gives the Commission ample time to take Parliament's wishes into consideration when drawing up the preliminary draft budget for 1984.

While on the subject of the Commission, Mr President, I should like to express my appreciation of Mr Tugendhat's warm welcome for the guidelines. But I regret to have to say, and I think I do so on behalf of my political group, that the last part of his statement did not meet our expectations and that he was riding the two familiar English hobby-horses. The first one is — this is gradually becoming somewhat monotonous, but I shall mention it just the same — the so-called imbalances in the budget. This is coming to be quoted

so often here that one is almost tempted to believe it. The second hobby-horse is, of course, the costliness of the agricultural policy. This is nothing new from the lips of our Commissioners and Members from the United Kingdom, but I wish to distance myself specifically from this and state that I think that our rapporteur's approach to the agricultural policy in paragraphs 6 and 7 is much better balanced. This merely as a comment on the Commissioner's statement.

We also recognize the need for continuity from year to year in Parliament's priorities. We in our group fully endorse the first priority, unemployment, and the following almost equal one, hunger in the world. We particularly welcome the breath of fresh air in this report. Not only that, but it is also liberal. It stresses quality above quantity. It emphasizes productive investment, especially in people — and I think this is very important — but also, of course, in material goods, in innovation and in increasing the competitiveness of our firms, and — what we particularly appreciate — it emphasizes the importance of these investments in helping the small and medium-sized firms which, as we all know, are the biggest creator of employment in the Community's industrial life.

We totally support paragraph 8 on Community financing and reject any infringement of the Community nature of this financing. I can assure my colleague, Mr Balfour, that I speak for my group when I say that I listened to his call for greater fairness with great reservation. I have just said in reply to the Commissioner that one hears so often about imbalances that one runs the risk of believing what one hears so repetitively but unjustifiably. But otherwise I am happy to leave it to the rapporteur to answer Mr Balfour's points.

I wish to urge Parliament not to overencumber with specific wishes or demand too much detail of Mrs Scrivener's report at this juncture. I felt that Mr Patterson had already started to do so on behalf of the Committee on Social Affairs and Employment. I think the time is not yet ripe for that. Finally, Mr President, I hope that this debate will be brief, unambiguous, refreshing, to the point and significant for the parliamentary discussion of the 1984 budget, a long procedure which we have only now started.

Mr Ansquer (DEP). — (FR) Ladies and gentlemen, it falls to us today to vote on Parliament's guidelines for the 1984 budget as drawn up by the rapporteur, Mrs Scrivener, and unanimously approved by the Committee on Budgets. We wish to thank Mrs Scrivener for the excellent job she has done in producing such a closely-worded report. It is not very long, but it contains many ideas and we are entirely in agreement with its proposals.

First, it is right that the 1984 budget should maintain continuity with the 1983 budget, carrying over the priority objectives of combating unemployment, espe-

Ansquer

cially among the young, and campaigning against hunger in the world. The unemployment figures are, alas, rising dramatically from year to year. The overall figure for the Community reached 12 million at the beginning of 1983, and it is to be feared that it will rise to 14 million by the end of the year.

In such a grave economic and social situation we cannot content ourselves with declarations of intent. What the unemployed want from us is less talk and more action. Our concern and our aim must therefore be to define the measures which will be most effective in combating and reducing unemployment.

The rapporteur is right to recommend a policy attacking the root causes of unemployment, chief among which are the loss of competitiveness in many industries and the unsuitability of present youth training to the needs of the economy. It is therefore essential to assist workers in difficulties. However, whatever the volume of funds allocated for this purpose, assistance is not enough. Selective measures are required to promote economic development, productivity and job creation. Hence the need to stimulate productive investment, particularly by small and medium-sized businesses, to support economic activities associated with the development of new technologies, to develop growth industries and to provide training enabling workers to adjust their know-how to the economic demands of today's world.

The guidelines drawn up by Mrs Scrivener are entirely consistent with the commitment to support for small and medium-sized businesses expressed by this House when it declared 1983 the year of small, medium-sized and craft businesses, at the instigation of our group.

Finally, Mrs Scrivener is right to restate the need for preserving what has been achieved up to this point by the Community. This she does by affirming that the common agricultural policy is not to be called in question but merely improved, discounting all theories about ways to restructure the budget to the detriment of existing policies, rejecting the 'fair return' concept and calling for the creation, in the medium term, of new own resources to be applied to the development of Community policies.

We are convinced that, by adopting Mrs Scrivener's motion for a resolution, the European Parliament, together with the Council and the Commission, will be advancing the European cause and the interests of the Community as a whole.

Mr Pasmazoglou (NI). — (FR) Mr President, I shall speak in French so that I can address my remarks directly to Mrs Scrivener and offer her my congratulations on the lucidity, precision and coherence of her report.

I have the impression that there is much common ground in what has been said so far by our colleagues.

Most of their proposals and comments call for decisions by this House which tend in the same direction. I should therefore like to make three general observations.

The first is that, in these guidelines, we should tackle the political aspects of the 1984 budget, the most important of which is the size of the budget. I do not believe that we can combat unemployment unless we have a policy of growth within the Community. However, such a policy is inconceivable with a budget representing less than 1% of the gross domestic product of the Community. A budget corresponding to about 2.5% would be necessary. An increase in the amount of the budget relative to the gross domestic product is therefore absolutely essential, and this is, of course, linked to the fundamental problem of an increase in own resources. I should accordingly like to suggest that this problem, and the importance that we attach to it, be made one of our main guidelines for next year's budget.

I should also like to express my agreement with Mr Herman, who made similar comments and suggested that the budget should be viewed as a whole, taking resources and Community borrowing into account.

My second observation is that, bearing in mind the limited budget resources at our disposal, we should concentrate on a limited number of lines of action in support of a policy to promote growth throughout the Community.

I therefore believe that the guidelines presented this morning, envisaging massive concentration of the resources and operations of the Social Fund on programmes to tackle the problem of youth unemployment, are absolutely essential. I believe that this should be done through vocational guidance and training programmes geared to new technology, programmes for the young, for women, for the handicapped, and also — I refer here to a point made by Mr Patterson — training programmes for managers, specifically in order to take full advantage of the new technologies which can raise the standards of management and investment in business organization.

My third observation is that very special importance should be attached to the programme for the Mediterranean region. Mrs Nikolaou has made some most pertinent observations on this subject, but I feel that I must stress the importance of the role that the Mediterranean programmes can play in activating the Community economy as a whole. Regional policy programmes, particularly in the Mediterranean region, provide an effective means of activating the entire Community economy, thus enabling it to play a key role in the world economy.

These were the very general observations which I wished to make.

Pesmazoglou

I should like once again to congratulate Mrs Scrivener on the quality of her report.

Mr Protopapadakis (PPE). — (GR) Mr President, since Mrs Scrivener's report is a praiseworthy effort to tidy up the budget, I would like to stress that the section dealing with energy and research is greatly in need of tidying up, and now is the time to set about such a task. In that section reference is made to a large number of small appropriations having no connection with each other, and this produces a state of chaos. The general lines of the policies of the Commission's Directorates-General for energy and research should be laid down more clearly, whereupon their respective budgets would also become more general and more comprehensive. Synoptic statements of this kind indicate clarity of thought.

I would also like to make a second comment concerning the proposed restrictions in the CAP. Though the Commission may have been guilty of certain omissions or errors that have resulted in wastage within the CAP, there is no reason why the farmer should suffer the penalty for this. Our efforts should be directed at the administration and not against the farmers.

3. Agenda

President. — I have an announcement to make to the House with regard to the request made this morning by Mr Clinton supported by Mr Provan.

Pursuant to Rule 48 of the Rules of Procedure, the chairmen of the political groups yesterday considered the 15 motions for resolutions tabled for topical and urgent debate, amongst which was the motion by Mr Clinton and others on ethyl alcohol.

The political group chairmen decided to propose to the House that only 8 motions should be dealt with in the topical and urgent debate. It was decided that the motion by Mr Clinton and others would not be included, since this subject was already on the agenda in the form of a report by Mr Dalsass.

It must be pointed out that if the political group chairmen had proposed that Mr Clinton's motion be included in the motions for urgent procedure, we should have had two debates on ethyl alcohol — one today when we debated the Dalsass report and the other tomorrow when we came to the topical and urgent debate.

Furthermore, it is not possible under the provisions of the Rules of Procedure to have this motion for a resolution considered in a joint debate with the Dalsass report, because the motion has been tabled on the basis of Rule 48 which does not provide for such a possibility. This is why the political group chairmen

agreed not to include Mr Clinton's motion for a resolution in the topical and urgent debate.

I would only add that Rule 48 lays down that the decisions of the political group chairmen may be contested. An objection may therefore be lodged, and the House would vote on this at 3 p.m. this afternoon.

Mr Clinton (PPE). — Mr President, I should like to thank the presidency for the trouble it has taken to try to find a solution to this problem.

However, there are two possible courses of action that I would suggest. One would be to take my motion for a resolution on ethyl alcohol in place of the last motion for a resolution to be dealt with by urgent procedure which, I understand, has now been withdrawn. The second would be to debate it jointly with the Dalsass report. Yesterday the Bureau of my group agreed that this could be done. However, I was given only three minutes speaking time and told to discuss the matter with Mr Dalsass. Might I suggest that instead I be given six minutes, which would enable me to outline the problem clearly enough.

I would be prepared to fall in with either of these two solutions.

President. — Your first suggestion certainly cannot be entertained, since the political group chairmen did not see fit to include your motion for a resolution on the agenda. This is not for want of time but in order to prevent us having two debates on the same subject, i.e. ethyl alcohol, within twenty-four hours of each other. That is the reason why.

As regards your second suggestion, namely you should be given more speaking time, I cannot officially promise this, but I shall convey your request to the group chairmen and possibly also to the Bureau, and I hope that it can be met.

4. Budgetary policy for 1984 (continuation)

President. — We shall now resume the debate on the budgetary policy of the Communities for 1984.

Mr Alavanos (COM). — (GR) Mr President, in this debate on the general guidelines for the 1984 budget the MEPs of the Communist Party of Greece cannot but express the deep concern of Greek working people. Concern not only regarding the hitherto negative consequences of Greece's accession to the EEC, but also for the fact that these consequences are becoming even more burdensome owing to the negative tendencies that exist today within the Community's territories, and which are expressed by the orientations of the budget for 1984.

Alavanos

In this connection I have to make the following comments: Firstly, there is no doubt that the problem of unemployment is one of the most vital problems in the Community. However, we fear that the fact that the criterion of unemployment is being used as the prime criterion in determining the disposition of the budgetary resources, is to a large extent a pretence when we know that at the same time a general attack has been launched against the rights of workers, from automatic cost-of-living adjustments to unemployment benefits and trade union rights, almost everywhere in the Community. From this standpoint we fear that the result of using the unemployment criterion will be, at the national level, that the lion's share of the budgetary resources will be absorbed by the more powerful industrial countries of the Community, and at the social level, by the monopolies and the major industrial concerns, in other words by the very people who have created the unemployment in the first place. It will also result in the neglect of problems concerning countries like Greece, in which unemployment is to a large extent latent and usually takes the form of underemployment.

Secondly, we are deeply worried about the fact that the matter of the budget is linked with changes in the manner of reaching decisions, with the well-known intentions of the Commission and the German Presidency concerning the abolition of the veto.

Thirdly, a basic matter is the Community's monitoring of the grants made, whose result is that a series of payments made to countries in the Community are not in fact transferred to the sectors that have absolute need of them, but often to luxury sectors, so contributing to the further distortion of the economies of Member States.

A fourth point is the continued emasculation of national criteria for the distribution of the grants, the result of which, particularly for Greece, is that payments from the CAP end up in the hands of large wholesalers or major industrialists, or payments intended for the small to medium firms are swallowed up by large industrial units, or even by foreign multinationals; I can quote the example of the firm Fulgor, which received payments intended for small to medium Greek firms.

A fifth point is the matter of the transfer of resources; here too, we see the development of dangerous trends with the plans for modifying the Common budget as expressed in Mr Thorn's speech, and it was with great disquiet that we heard the statement by Mr Tugendhat today, that the application of the Mediterranean programmes will not begin until after 1984. What is to happen until then, and what are the Mediterranean programmes likely to achieve after 1984, when they will be applied in parallel with the accession of Spain and Portugal to the EEC, which is bound to give rise to a series of negative consequences for the economy of our country?

A final point that I would like to stress is the attack against the CAP, an attack carried out even today by Mr Tugendhat, and that envisages a policy of strict frugality in agricultural expenditure.

For all these reasons, the European Members of the Communist Party of Greece will not vote in favour of the Scrivener report.

IN THE CHAIR: MRS CASSANMAGNAGO
CERRETTI

Vice-President

Mr Adam (S), *draftsman of an opinion for the Committee on Energy and Research*. — Madam President, I am very grateful for this opportunity of saying a word or two on behalf of the Committee on Energy and Research. We broadly welcome the report prepared by Mrs Scrivener and I congratulate her on it.

The committee, in fact, did not feel it at all necessary to table any amendments to the resolution.

The 1983 supplementary budget made a big difference in Community involvement in energy after years of talk. The Commission has, therefore, a major duty this year to strengthen the energy sector and also to take into account the Energy Council in Copenhagen which paved the way for a solid fuel strategy.

For ten years or more we have been talking about the effect of the rise in oil prices. Given the current state of the oil market, some may feel that the efforts to secure oil independence can be relaxed. This would be an extremely foolish view. The World Energy Agency has recently warned against such an attitude and it is interesting to note that the Japanese have no intention of relaxing their investment in the energy sector. Investment and expenditure in the energy sector can make a major contribution towards reducing unemployment. This is particularly true in the field of energy efficiency.

I would just add that we shall watch very carefully the progress that is made in the Council in the discussions on demonstration projects and the encouragement of investment. We have not been doing as well as we should have been in this particular field.

The second strand is that of research, and the second strand in the budget strategy is hunger in the world. We would urge the Commission to strengthen the research activities of the Community because we can make a very major contribution here, not only to improve our own industrial activity but to improve the

Adam

industrial activity in the Third World and to deal with their hunger problems.

Mr Lange (S), Chairman of the Committee on Budgets. — (DE) Mrs President, honourable Members, I would like to add a few remarks.

Mrs Scrivener's report on behalf of the Committee on Budgets basically speaks for itself. As far as formulating the needs of the European Community is concerned, the sky is the limit. That applies to both the Commission and the Council.

But I think special attention must be drawn to a few specific points. If we want to achieve a measure of success in combating unemployment, the Council and the Member States must finally agree on the pursuit of a coordinated economic policy and a correspondingly adjusted economic and social policy. For on the question of measures to combat unemployment, the Community and the Member States must work together. No one should imagine that this problem can be resolved by the Community alone as such. The Member States as a body also represent the Community, but they must be persuaded to adopt a uniform policy as individuals within this Community. If that does not work, our endeavours will not be crowned with success.

The same applies to surplus agricultural production in the Community. Again, more efforts must be made, without imperilling the agricultural policy provisions of Article 39 of the Treaty.

(*Interruption by Mr Früh*)

Quite right, Mr Früh, you have heard me make these remarks again and again. I do not know how often I have had to repeat them, but the Member States and the farm ministers must finally do something about this.

Apart from this, the Member States — even if they should reach agreement in the Council on a uniform economic and social policy, monetary policy, etc., and if, as Parliament wants, they establish a common objective — should differ only in the way they apply the instruments within their individual countries, in line with their level of development. Their aim must be the same. At the same time they must also bear our external relations in mind: for we have an economy which is heavily dependent on exports. We must also give a number of undertakings a chance to make use of external markets than in the past. Here too, the sky is the limit.

These are guidelines, no more and no less. It is still not a budget. We should try not to overload these guidelines with details, such as those underlying the amendments. I personally consider the amendments quite superfluous. We could do without them. Well, we will see how the voting goes.

There is a danger of attaching too much weight to certain aspects. This should not be so. For afterwards, when we draw up the budget, we shall have enough opportunity to consider all the individual aspects raised by various sides.

As I was saying, the sky is the limit for the Commission and the Council, and for us. But the Member States must work together more closely and more sensibly in economic policy, for these to some extent accompanying measures are essential for the budget. In fact they are not only accompanying but necessary measures if the budget is to become effective, as explained by Mrs Scrivener, the rapporteur, speaking on behalf of the Committee on Budgets.

President. — The debate is closed.

The vote will be taken at the next voting time.

5. Ethyl alcohol

President. — The next item is the report (Doc. 1-1192/82) by Mr Dalsass, on behalf of the Committee on Agriculture, on

- I. the amended proposal from the Commission of the European Communities to the Council for a regulation on the common organization of the market in ethyl alcohol of agricultural origin and laying down additional provisions for certain products containing ethyl alcohol (Doc. 504/76-COM(76)274 final)
- and
- II. the corresponding amendments submitted by the Commission to the Council pursuant to Article 149(2) of the EEC Treaty (Doc. 209/79-COM(79)237 final).

Mr Dalsass (EPP), rapporteur. — (DE) Madam President, honourable Members, may I point out that this is not a new subject and that we have considered it in Parliament once before. The first proposal on the organization of the market in ethyl alcohol dates back to 1972. The proposal was put before Parliament in January 1978, for its consideration. But at the time the question of powers was raised and Parliament decided to refer the proposal back to the Committee on Agriculture.

Meanwhile the Commission presented a few more amendments which complied with the wishes of the Committee on Agriculture; but by and large the structure of this market organization remained the same. Provision was made for a genuine organization of the market, of the kind that already exists for other agricultural products.

Dalsass

This included a price guarantee, a production guarantee and a marketing guarantee, and in order effectively to achieve this market guarantee, various areas were reserved, such as oral consumption, vinegar-making, the pharmaceutical industry, the perfumery and cosmetics sector. The traditional mechanisms were provided for external trade: import levies, export refunds and a safeguard clause. The original proposal, which is still before us for our consideration, also included spirituous beverages, whose designations and definitions were to be harmonized.

A management committee was to administer this organization of the market. All very well. But from the opinions of the committees also asked for their opinion, it emerged that once again the Legal Affairs Committee announced that it had reservations and questioned the powers of the European Parliament in this matter. I therefore considered it necessary to clarify this aspect and asked for a hearing to be held. It was held in 1981. I hoped that the question of powers would be resolved there. Unfortunately that was not the case. the Legal Affairs Committee maintained its reservations, so I was somewhat concerned about the future of the market organization. I decided therefore to propose another report, to avoid a repetition of the same difficulties as in 1978. So I looked at Article 40(2)(b) of the Treaty, which provides for compulsory coordination of the various national market organizations. When I put this to the Committee on Agriculture for its consideration, I met little response and assumed that this procedure would lead to a dead end. That is how we arrived at the present proposal.

This proposal is completely new. It is very easy to implement and less expensive too. We began by excluding spirituous beverages, which are now the subject of a separate regulation which is already before the House and for which a rapporteur has already been appointed. We have moved away from a market organization in the usual sense of the word. We have not provided for any more target prices, levies or refunds in external trade. We have also reduced the number of sectors involved, of which there were five, to a minimum, i.e. to vinegar-making and to oral consumption. The price of alcohol has been reduced to its lowest level, to the level of molasses alcohol, which more or less corresponds to that on the world market. On this basis, we have provided a subsidy for the other kinds of alcohol, excepting molasses alcohol. Here too it is, of course, my committee which administers this extremely simple market organization. So the costs are lower and the regulation much simpler, and I have found that the Commission seems to agree too. In my view, the political resolve to continue along this road does exist.

We need such a regulation, even if it is very simple. I do not want to have to point out yet again why it is necessary. We have done so again and again. All those of good faith are, I think, convinced such a regulation

had to come. I know there are difficulties and that some people are not at all enthusiastic about regulating this area. I am thinking here of my colleagues in the Conservative Group, of the Members from the United Kingdom, and can say only this to them: it is most regrettable that they have once again tabled a whole series of amendments which in the end would destroy our proposed solution if we accepted them. But I hope Parliament will make the right decision and not accept them.

The effect of these amendments would be that the regulation would once again be dropped, so to speak. Such an attitude to this important area, an absolutely negative attitude towards the Community, is most regrettable.

If I think back a year to the time when Protocol 19 had to be implemented for the manufacture of whisky, i.e. subsidies were to be granted for the grain for making the whisky too, it was these same people who went on about observance of the Treaties and nearly took us to court for violation of the Treaty.

At the time your interests were involved. Now that it is basically a question of a generally valid regulation, and other countries might also have a vested interest in their implementation, you come out with these negative amendments.

I too have tabled a few amendments. May I point out at once that one amendment, No 58, is not quite right. An error has crept in, i.e. a word is missing. In it I refer to the markets for wine alcohol, but the word surplus was left out. I am mentioning this now and will come back to it when we vote on the amendments, for without this word the amendment does not say what I meant.

I would welcome it if this regulation, which is very sensibly defined and must be taken as a whole, were adopted. Of course I also propose to state my views during the vote on the individual amendments, but above all I would ask Parliament to please say something definite at last, after more than ten years, and to adopt a regulation on agricultural alcohol too.

Mr Hord (ED), draftsman of an opinion for the Committee on Budgets. — Madam President, I am speaking now as draftsman of an opinion for the Committee on Budgets. My group have asked me to speak later on their behalf.

At this stage I want to draw the attention of Members to the views of the Committee on Budgets. I imagine that unfortunately few people in this House know very much about this subject. It is a pity therefore that the Commission has felt obliged to complicate the issue even more by having an amended draft regulation and then bringing forward amendments to that amended draft regulation! A complex subject is being made even

Hord

more complicated, and if that was not a bad enough situation, Madam President, Parliament's rapporteur has decided on his own initiative to introduce 70 amendments to those amended regulations! I imagine that precious few people in this House know what we are actually discussing. I believe that the situation is so bad that it should go back to the Commission, bearing in mind that their original proposals appeared back in 1969 long before we had anything like an energy crisis. The whole thing is totally unreal.

Speaking on behalf of the Committee on Budgets, Madam President, that committee is very concerned that Mr Dalsass did not seek a revised opinion from the Committee on Budgets on his 70 amendments to the regulation. I imagine similar views have been expressed by the other relevant committees of Parliament. We do not know whether wine alcohol is to be included in this regulation. We do not know whether molasses alcohol is in or out. We do not know whether spirituous beverages are to be covered. It depends whether Mr Dalsass's view is appreciated, but then we found in the Committee on Agriculture a few weeks back that Mr Dalsass's intention to have wine alcohol excluded was changed by the Committee on Agriculture. So we have now got wine alcohol back in the proposal, so far as Mr Dalsass is concerned, although he himself originally did not support it. So the whole thing is a total mess.

The Committee on Budgets was very concerned about the cost of the proposal, at that time 132 million ECU. However, since the matter was raised in the Committee on Budgets, many more things have happened and we believe that the cost will be substantially higher than what is felt to be a conservative estimate on the part of the Commission. The Committee on Budgets is very concerned about the energy considerations of alcohol. Where are we leading to in the matter of the use of expensively produced alcohol? Is that going to be for energy purposes? Is the energy crisis going to lead to more alcohol being distilled from agricultural products? What about enlargement? Is not the accession of Spain and Portugal going to affect substantially the amount of surplus wine and with it surplus wine alcohol? None of that is mentioned. Then take the question of sugar. The Community and the world abounds in sugar. There are proposals for sugar to be included in Mr Dalsass's proposals. What are you going to do with all this surplus sugar? When we have got an alcohol regulation we can pump it into alcohol! What about the cost? £1 600 for each tonne of alcohol is the subsidy. Mr Dalsass talks about the price of molasses. Molasses alcohol currently retails at £ 600 a tonne. The cost of producing agriculture-based alcohol, Madam President, is £ 2 000 a tonne! So in no way should the Community be involving itself in an alcohol regime.

As I say, Madam President, the Committee on Budgets considers that the proposals do, in fact, exacerbate the overwhelming and unacceptable proportion of the

budget being devoted to agriculture. The Committee on Budgets believes that the proposals by the Commission for an ethyl alcohol regime should not only be rejected but also that this intention should be abandoned completely, having regard to the large number of objections that come forward.

Mr Dalsass (EPP), rapporteur. — (DE) Madam President, may I briefly speak on a point of order and not on the remarks by Mr Hord who said no one knows what is going on. If he does not understand, he has not read the report properly. That is what I wanted to say first.

But he must answer the following question clearly now. Mr Hord spoke on behalf of the Committee on Budgets and said the whole thing should go back to the Commission.

Is that the opinion of the Committee on Budgets or his own? Where is the Committee on Budget's decision? I have not found it.

Mr Hord (ED), draftsman of an opinion for the Committee on Budgets. — Madam President, the situation is very clear, as I have said just now. The Committee on Budgets feels not only that the current proposals should be rejected but that any idea of having an alcohol regulation should be abandoned. When it considered this matter, the committee was very concerned about the complicated nature of the proposals, as I described them earlier. It is also concerned that it was not consulted on Mr Dalsass's large number of separate amendments to the regulation — numbering, in fact, 70 in all — and feels that it would be sensible for the Commission to produce a new document. That was referred to in the Committee on Budgets' opinion, and I am sorry that Mr Dalsass was not aware of it.

Mr Gautier (S). — (DE) In this decisive debate the Socialist Group do not all take the same view. That is why I am speaking not for the whole group but for a large part of the Socialist Group. I think the matter in hand justifies this, for we have been discussing the question of the alcohol market organization for more than ten years — although in my case only for three years — and it is a complex subject.

We have serious reservations about a large number of points in the Commission's earlier proposals, which officially are still before us. They concern the inclusion of spirituous beverages in the intervention system proposed by the Commission at the time, the question mentioned by Mr Dalsass of reserving the pharmaceutical and cosmetic industry, the ratio of agricultural alcohol to industrial alcohol and the question to what extent the European Community can restrict industrial activity in this area by means of agricultural market organizations. These difficulties, which we have often set out in the Committee on Agriculture, led the Legal

Gautier

Affairs Committee, the Committee on Budgets and the Committee on Economic and Monetary Affairs to reject the original Commission proposal in their opinions.

Meanwhile a few changes have occurred, namely the amendment of the organization of the cereals market with the inclusion of whisky and gin, the amendment of the wine market organization, which impinges on this area, and the Commission proposal on the definition of spirituous beverages — not on the question of prices — which is now being considered in committee. So we can deal with these matters in committee and we can accept Mr Dalsass's proposal in principle for the following reasons: I think the European Parliament cannot disregard the judgments of the European Court of Justice and the judgment of that Court is clear: something must be done about the organization of the market in alcohol, irrespective of the manner in which a European market organization is put in the place of the national market regimes we have in nine of the ten Member States. For the existing national market regimes are really not the last word in wisdom and lead to major distortions of competition on the European market. Free trade in agricultural alcohol and in alcohol as such should be our criterion, so the national market organization measures must be replaced by other regimes.

We also to some extent support Mr Dalsass's proposal because it no longer contains the points we criticized but now proposes flat-rate subsidies based on a certain number of reference years, a procedure we consider feasible. Yet this system is still a bit of a headache for us, to be quite honest; for it is not the best possible one.

Every Commission proposal for a regulation stipulates that a structural report shall be submitted three years after the entry into force of a market organization. We have been discussing this matter for ten years now and cannot understand why the Commission has not submitted a structural report during this period, for it does not need a market organization in order to do so. We would feel much better if the Commission did its job and submitted a sensible structural report on the basis of which we could decide on the future design of the market organization. On principle we regard this as a scandal and hope the Commission will finally do its homework here.

A large part of our group will probably vote in favour of the amended Dalsass report, provided the Commission accepts the amendments. Otherwise we do not think the report should be adopted in Parliament today.

Mr Früh (EPP). — (DE) Madam President, ladies and gentlemen, may I begin by thanking the rapporteur for pursuing with amazing tenacity a matter which Parliament has now been concerned with for

ten years. It was one of my first concerns when I was elected to this Parliament. I did not know exactly how complex the matter was: since then it has been with us constantly. That is why this business about the proposal and the amended proposal and the amendment of the amended proposal — which Mr Hord finds so difficult to understand — is in fact the quite logical result of an ideal cooperation between Parliament and the Commission. I must thank the Commission for being flexible enough to adjust to each new version proposed by the Committee on Agriculture. That is how we have arrived at the proposal, the amended proposal and the amendment of the amended proposal. Mr Hord, anyone who has attentively followed this matter over the past ten years and who is not half blind must admit that a great step forward has been taken here.

So once again, my thanks to our tenacious rapporteur and to the Commission who have both assisted us greatly here. This is a good example of the way in which Parliament can go on giving a political impetus, without giving up, so that in the end we find a solution.

It is undeniable that we need a solution in the agricultural alcohol sector, and this is clear from the Treaty too. The reason why some people keep philosophizing around this Treaty is that they do not want to be bothered with agricultural alcohol and are concerned only with synthetic alcohol. No one has anything against synthetic alcohol, but agricultural alcohol is also a component of the European agricultural policy, and anyone who tries to argue to the contrary should be referred to the Treaties and, as Mr Gautier says, to the decisions and findings of the European Court of Justice. Surely they can read!

Besides, Mr Hord, I do not like the way you are quietly donning the hat of the Committee on Budgets and delivering on its behalf an opinion which is not before us at all, although perhaps it relates to earlier proposals.

Now for costs. If you are speaking for the Committee on Budgets you know that it will not do to go on and on nagging away at a matter while quickly covering up one's own interests. We have already simplified an amazing number of things in this area. We have excluded your whisky, which presumably was your main concern. Every year millions and millions of ECU go to large whisky firms; whether they need it or not is disputable, but the matter is settled now. Suddenly, that question is dropped. Then, with great effort and at great cost, as Mr Gautier said, we created a regime for wine. That is now done with. Thirdly, we excluded spirituous beverages, carefully specifying them. So that is done with. What is left, assuming you have any desire to find a European solution?

I will tell you. What is left is a large number of agricultural distilleries in the ten EEC countries, with different structures, and great anxiety reigns there. People

Früh

do not know what to do. Each Member State has its own arrangements. In Germany we reduce the quotas when money is short. Promises are broken, the monopolies are broken up more and more. Then legal proceedings are instituted. There is great anxiety among these people, and this proposal could help create the conditions for alleviating it!

So I urgently ask you to simplify the alcohol market organization and to make it clear that we are also concerned with the security of many small and medium-sized undertakings in the Community. We are always going on about the European year of small and medium-sized undertakings. We can do something for them too! Mr Clinton has tabled a motion for a resolution on the subject and will introduce it later.

We must put an end to the uncertainty here. With a great deal of goodwill, everything that caused serious concern has been excluded: whisky, wine and spirituous beverages. If we do not manage to find a European solution in this, I admit, complicated area, we will be doing a disservice to Europe. If we cannot reach agreement in an area which is now so clear-cut after ten years of deliberations, it is inconceivable that we will ever harmonize taxes in Europe or create a monetary union, and that would be a pity. We must prove here that we can successfully tackle difficult problems.

I ask you to vote for this excellent proposal and I am grateful in particular for the support of the Socialist Group.

Mr Hord (ED). — Madam President, I am sorry to inflict myself on the plenary session again, but I speak on behalf of the European Democratic Group this time.

I have already said, Madam President, that this regulation is extremely complicated — an amended regulation, plus 70 amendments by Parliament's rapporteur. I have read it many times, unfortunately, and I think it has to be the worst example of Euro-gobbledygook that I have ever seen. But what we do know is that we have a very large wine lake. It is so large that there is no more capacity left. And so what is needed is to distil much of that surplus wine into wine-alcohol. At the moment we have a surplus of wine of approximately 7 000 million litre-bottles. This year's surplus of wine will amount to 3 000 million bottles, so the Community citizens will be able to enjoy 10 000 million litre-bottles of wine if they so wish. But, of course, we have not got the capacity so we must do something else. We must distil it. Already, however, there is an alcohol lake of 500 million litres of neat wine-alcohol. So when we add the surplus wine for distillation — something in the region of about 300 million litre-bottles of neat wine-alcohol — I think you will understand that we have a very real crisis.

But, of course, distillation is a good thing because you only need 10% of the storage space. So, jolly good idea to distil it. But it is the cost. The cost is horrendous. We are talking about £1 600 equivalent for each tonne of distilled alcohol. And when we have the existing alcohol lake plus this year's likely addition of more wine-alcohol, we will have a total of wine-alcohol, when distilled, which will cost the Community budget a total of around £1 000 million. More than the whole of the sums of money devoted to the Regional Fund. It is all very well for Mr Dalsass to smile, but Mr Früh was saying that the wine-alcohol was not included. Well, wine-alcohol was included and is included in the Commission's proposals. Mr Dalsass, amongst his 70 amendments, seemed to think that wine-alcohol ought to be excluded. The Committee on Agriculture did not agree with him and have now put wine-alcohol back so that the Commission's proposal says include wine-alcohol, the Agriculture Committee's report says include wine-alcohol, so I believe I am right in drawing the attention of this House, and the taxpayers of Europe, to the irrelevance and the disastrous cost of such proposals.

Madam President, unfortunately I do not have sufficient time to develop more arguments on the shortcomings of these proposals, but I can tell you that in the opinion of my group the proposed ethyl alcohol regime is contrary to the provisions of the Treaty; we consider it to be illegal, it discriminates against non-agricultural alcohols, including whisky, it would provide a haven for numerous agricultural products in surplus, it is unnecessary and the cost is totally prohibitive.

For those reasons, Madam President, my group will vote against the proposal and the motion for a resolution.

Mr Maffre-Baugé (COM). — (FR) Madam President, I speak not on behalf of my group, but in my own name and on behalf of the French Communists and Allies.

Whereas there is a common organization of the markets in the vast majority of agricultural products in the Community, this is not the case of alcohol of agricultural origin. It is nevertheless essential to regulate the market in alcohol in order to rectify the present disorganized situation. The Commission submitted proposals which on the whole adhered to Community principles. In particular, they made provision for a marketing guarantee through the operations of intervention agencies and for Community preferences. However, their complexity was such that they did more to exacerbate than to settle the contradictions between alcohols of different origins which are a source of conflicts of interest between countries or regions.

The difficulties of organizing the market in alcohol are increased by the fact that both agriculture and

Maffre-Baugé

industry are concerned. Outlets vary widely, as do sources of supply. Because of its failure to settle these contradictions, the Council has never been able to reach agreement, although some improvements have been made to the Commission's proposals.

In the debate on the Dalsass report we are witnessing a further attempt to reopen the debate and, in a way, to force the Council's hand. While ostensibly suggesting simplifications and ways of eliminating anomalies, this report is in fact proposing a false organization of the market which flouts all Community principles. This is not only bad for the sector concerned, it sets a dangerous precedent for other products.

The fundamental principles of common market organization — marketing guarantees, price guarantees, Community preferences — are all discarded and replaced by alignment with world prices for molasses alcohol, coupled with a flat-rate aid system of doubtful durability. This is the institutionalization of *laissez-faire* and *laissez-passer* for the benefit of the few in the alcohol producers' lobby dominating the world market, whose role was recently the subject of adverse criticism in the UNCTAD report.

In an attempt to make itself more palatable, this report excludes certain alcohols over which there are problems, but with the intention of bringing them into the system at a later stage. This is a dangerous proposal which could have very serious repercussions in many regions.

How many of us in this House are really fully conversant with the issues involved here? Relatively few.

Along with the French Communists, I have tabled a series of amendments untangling the complexities of the Commission's proposals while at the same time taking account of the Council's contributions. I should like to explain our thinking and our aims. First of all, we believe that it is necessary to safeguard Community production of agricultural alcohol in the face of competition from synthetic alcohol, production of which is controlled by the multinationals. The organization of the market in alcohol of agricultural origin should be based on the fundamental principles of the CAP. However, in order to take account of the specific characteristics of this sector, it could take the form of compulsory coordination of the various national market organizations, which is indeed one of the forms sanctioned by the Treaty, in Article 40 (2) (b). The advantages of this original form would be threefold: it would bring agricultural alcohol under a common regime, it would retain the essential provisions of national market organizations, and it would safeguard the interests of regions to which alcohol production is vital. This form of organization would afford marketing guarantees, at a given price, for the volumes of alcohol corresponding to the reserved sectors, namely not only oral consumption and vinegar making, but also the pharmaceutical industry and the cosmetics

industry. It would also provide a secure basis for price maintenance through machinery for equalizing the prices of alcohols of different origins and shielding agricultural prices from the impact of price fluctuations on the world market. Finally, this organization would be accompanied by the introduction of a minimum price for intra-Community trade.

In conclusion, I should like to draw attention to what I consider to be a vitally important point: it is necessary to establish true equality of competition between the various agricultural alcohols and between alcoholic beverages on the basis of clearer definition of the various categories of alcohol and harmonization of taxes and duties charged on them, with variations in rates according to the quality of products and production costs. I would remind the British that the ball is in their court; it is for them to begin by harmonizing duties on wines and beer. This is how they can demonstrate the Community spirit in which they are often lacking.

Finally, I wish to request a referral back to committee under Rule 85 (1), and ask that the vote be taken now, in accordance with the Rules of Procedure. I should like to make the final point that the Dalsass report is based on proposals which have not been updated in the light of the Council's opinion.

Mr Purvis (ED). — On a point of order, Madam President. May I ask Mr Maffre-Baugé a question in relation to his speech? Is he satisfied that the French taxation on cognac and whisky is also equal and fair?

President. — Mr Purvis, that is not a point of order.

Mr Cottrell (ED). — Madam President, far be it from me to question the wisdom of the Chair, but there is a provision in the Rules of Procedure for another Member to ask a question either during or after a speech. It is Rule 64 (4), I am advised by my colleague Mr Forth. Surely on this occasion you should put to Mr Maffre-Baugé the point as to whether he is prepared to answer the question.

Mr Galland (L). — (FR) Madam President, I cannot urge you too strongly not to go along with our Conservative colleagues' request under Rule 64 (4) of the Rules of Procedure since, on the matter of obstruction of the free movement of goods and failure to comply with the rules of the Treaty of Rome, we would find ourselves invoking this rule every time they speak in this House.

President. — Mr Purvis may put his question.

Mr Purvis (ED). — Madam President, may I ask a question then of Mr Maffre-Baugé in relation to what

Purvis

he said in his speech? Is he satisfied that the taxation levels between French-produced spirituous beverages, such as cognac and so on, and imported spirituous beverages, such as whisky, are fair and equitable?

Mr Maffre-Baugé (COM). — (FR) I would merely ask the amount of the sum that you received. Unless I am mistaken, it was 60 million ECU. Do you consider that you were poorly treated?

Mr Galland (L). — (FR) Excellent, well said!

Mr Louwes (L). — (NL) Madam President, first of all I should like to explain my position in line with the Nord report. Mr Nord's report this morning called for this procedure. Admittedly the report has not yet been adopted but nonetheless I should like to make a start on meeting this procedural requirement. I have no direct financial interests in the alcohol industry, but as a farmer and representative of the sugar industry in the Netherlands and of the alcohol industry and as chairman of the working party on alcohol in COPA I am involved in this product.

I should like to start by congratulating Mr Dalsass. He has drafted a courageous report with very definite liberal characteristics. I shall not go into that further; I shall briefly describe the situation on the alcohol market. There is no alcohol market in the Community. In the north-west of the Community this market is free and based on suitability; elsewhere it is based on archaic productions and monopolies from the last century. Market regulation and harmonization are therefore required. We also approve the Dalsass report with its liberal tendencies, as I said. It is based on the cheapest agricultural alcohol, molasses alcohol. It rather puts wine alcohol, as a result of surpluses, to one side, without affecting the wine growers' incomes and it brings the reserved sectors more into line with present regulations in legislation on goods so that there are few or no legal objections.

Unfortunately in the Committee on Agriculture which sticks closely to the orthodoxy of the common agricultural policy a number of elements to which we had objected have found their way in again; including the inclusion of alcohol from surplus wine. The result is that my group is very hesitant.

The fact of the matter is that this wine alcohol exists. It cannot be ignored, no matter what regulation it is included in. A second consideration in my group is that we must solve this problem. It has been before this House for more than ten years, since 1976, on the basis of an amended proposal, and it is high time for us to hit the ball back into the Council of Ministers' court — a Council of Ministers which at the moment is well pleased that it does not need to bother about this thorny problem since Parliament has not yet delivered an opinion.

We shall make our final assessment of the whole report dependent on amendments passed this afternoon or tomorrow, and I wish to say that our attitude will be influenced by the European Commission's reaction to the amendments tabled this afternoon or this evening.

Mr Eyraud (S). — (FR) The Commission's proposal for the establishment of a common organization of the market in alcohol seems extremely complex to me and to many other colleagues, and this was only to be expected, since the proposal is a fair reflection of the difficulties that the Commission has encountered in its attempt to regulate a sector which straddles farming and industry.

There is an extremely wide variety both of source of supply and of outlets and it should be pointed out in this connection that the complexity is bound up with the underlying conflicts of interest. It is because of these conflicts that work on this matter has been shelved since the end of 1980.

In view of the number of amendments, both on the Commission's proposal for a regulation and on the rapporteur's motion for a resolution, I for my part have the impression that we are embarking — hastily — on a fairly fruitless exercise.

However, this does not mean that various Socialist delegations have not been paying very close attention to this exercise, and they are opposed to this further attempt by the free-traders to use the pretext of simplification — the expression 'simple organization' was used a moment ago by the rapporteur, and on other occasions — as a means of gaining Parliament's assent for a system of market organization which would merely institutionalize *laissez-faire* and *laissez-passer*. We hold that such an approach would mark a further departure from the fundamental principles of the common agricultural policy. The danger is that we shall see the replacement of volumes covered by marketing guarantees by volumes qualifying for 'efficiency payments' to be shared out among the distillers.

We should have preferred effective protection of consumers and producers, based on control of the production, movement and use of alcohol and spirituous beverages, with regulations governing the definitions of uses of these products. This would not be a matter of imposing burdens on dealers and consumers, but simply of bringing a sound management approach to the problem of setting up genuine organization of the market.

Nor can there be any question of accepting such proposals as that made in one of the Committee on Agriculture's amendments — No 32 — according to which prices would be varied not only on the basis of the quality of the alcohol obtained — we can let that pass — but actually according to the size of the distillery.

Eyraud

In our view, it is the size of the producer which is important.

I shall end by noting that nowhere in this report is there to be found any reaffirmation of the principles of Community preference and harmonization of taxes and duties on the full range of alcoholic beverages, including wine and beer.

For these various reasons we shall probably vote against the Dalsass report and its amendments, since in the present circumstances the Commission's proposal seems closer to what we wish to see, although we are not satisfied by it. We regard this proposal as no better than a *pis-aller*.

IN THE CHAIR: MR NIKOLAOU*Vice-President*

Mr Ligios (PPE). — *(IT)* Mr President, unlike what the Socialist members stated in their own case, I speak on behalf of the Group of the European People's Party, as did Mr Früh, who in this instance is their official spokesman, and that means that our group totally supports the report of Mr Dalsass.

The rapporteur has to his credit the great achievement of having succeeded, in the face of great difficulties, in arousing the interest of the trade sectors involved and, through patient, dedicated work, has brought before Parliament a report that, in my view, is acceptable. It may not be perfect; it cannot hope to meet with agreement from all sides, but it is the best that could be done at this time. The original proposal was motivated by monopolistic principles that were to my mind questionable. All the ethyl alcohol of agricultural or synthetic origin had of necessity to pass through the intervention system. As they are worded now, on the other hand, and as the rapporteur has shown us, the regulations only concern the production of agricultural alcohol including, obviously, wine alcohol — and I am one of those in the Committee on Agriculture who voted for ethyl alcohol from wine to be included in the regulations — leaving regulations for the more complex sector of non-agricultural alcohol to be considered at another time.

Here is something which in my view is of fundamental importance. The Dalsass proposals for the alcohol sector now give a guaranteed price, guaranteed production and a guaranteed market, as well as a certain reserve in the sector of usage. These are the fundamental principles that lead us to support and recommend approval of this report.

I should like to remind Mr Hord that when, a year or two ago — two years ago, precisely — we were discussing in Parliament whether the whisky sector should be removed from the more general question of alcohol, his group, in the person of Mr Provan, very specifically and publically from the floor of this chamber urged Parliament to decide on whisky, and undertook to give his support when the question of alcohol of wine origin was discussed. Today Mr Hord has completely renounced this statement, this assurance, which has led to certain consequences, and has shown himself to be a bitter enemy of this motion for a resolution.

He now says: 'The wine sector is a surplus producer'. However — and I am sorry about this direct argument — he forgets to say that one of the countries that most contribute to the creation of the surpluses is his own, by applying an absolutely unjustifiable level of excise duty. He tells me that on this point we are outside the Treaty, but the same rule did not apply then with regard to whisky!

Mr President, since I only had a few minutes available I cannot say more on that question, but I confirm my complete support for the motion for a resolution by Mr Dalsass.

Mr Richard, Member of the Commission. — Mr President, I should like to do two things right at the outset. One is to explain why I am intervening now in the course of this debate. The second is to explain or at least apologise for the absence of Mr Dalsager. As I think parliamentarians will know, Mr Dalsager is in Brussels today at a meeting of the Council. I can only say that, in relation to this extremely complicated subject, their regret at his absence is as nothing compared to mine!

As far as the first of those points is concerned, i.e. the reason why I am intervening now, I want to say this. In view of the request that has been made that this matter should go back to committee, it did seem to me that it might be helpful to the House, in deciding whether it should or it shouldn't, if it were now to hear, before voting on that, the Commission's position on the report and indeed on some of the amendments.

First of all I thank the rapporteur, Mr Dalsass, for the initiative that he has taken in this extremely difficult sector. The Commission has three times attempted to resolve this question, but agreement on the Commission's proposals has never been reached at Council level. I must also compliment him, if I may, on his putting the stress on the necessary simplification of the Commission's proposals. While it is true that there are links between alcohol and other sectors, the reason why the Commission's proposals have failed is certainly because they set out to regulate all aspects of an extremely complex and complicated situation. The

Richard

solution recommended by Mr Dalsass is therefore rightly restricted to the essential provisions, that is to say, it is concerned only with ethyl alcohol of agricultural origin.

Now the significant feature of the report is the granting of Community aid for the production of agricultural alcohol that is still regulated by national provisions designed to ensure that the necessary production is, in fact, carried out. The introduction of a common organization of production of agricultural alcohol completes the process of integration of European agriculture in a sector that has been neglected so far, and indeed in a sector where difficulties are now arising that threaten serious damage to the effectiveness of other Community policies, in particular the effectiveness of certain intervention measures in the wine sector. The introduction of a common organization of the market in agricultural alcohol will therefore complete the common agricultural policy and above all, the Commission believes make it more effective.

The Commission can therefore heartily welcome the broad lines of the committee's approach, all the more so since a number of indispensable precautions have been taken. In the first place, the production volume aided will be limited and this should prevent the surpluses that some Members of Parliament seem to fear so much. It should therefore protect the budget from what, as we know from experience, would otherwise become an extremely expensive operation. In the second place, the measures will apply only to agricultural alcohol in respect of which it is necessary to take action. Last but not least, they have been designed so that there should be no unfair competition with non-agricultural alcohol, in particular synthetic alcohol in its own special outlets. This, in the Commission's view, is an essential point and I know that many Members are very attentive to this aspect of the position with regard to competition. In the view of the Commission, Mr Dalsass was also, if I may say so, very wise to limit the proposals to the beverage and vinegar sectors. These are no longer at issue, nor could they again become so. No one, I think, in the Community would dare to manufacture a spirituous beverage with synthetic alcohol and refrain from mentioning that fact on the label.

In short then, the Commission approves the policy on the integration of agricultural alcohol into the common agricultural policy worked out in the Committee on Agriculture on Mr Dalsass' initiative and will draw the necessary conclusions from that.

May I conclude, Mr President, by making two further points. One is on the suggestion from the Socialist Group that there should be a report by the Commission in three years on the structural aspects. The Commission could accept that idea in principle. Until the organization is set up, it is clearly not possible for us

to make a report on it. Once it is, however, then I am told, by those who know far more about it than I do, that it would be a step that the Commission could accept.

Concerning the amendments, the Commission is in favour of those proposed by Mr Dalsass. On the other hand, we could not follow Mr Martin and Mr Maffre-Baugé who wish to maintain the national market organizations in a coordinated manner. In fact, up to now the Commission has never proposed that it should be applied in this manner. In our view, that would be a dangerous precedent. We can, Mr President, accept all the amendments tabled by Mr Collins. I think we can accept some of the amendments suggested by Mr Hord, but only those which aim not to create distortion of competition between, on the one hand, agricultural alcohols among themselves and, on the other hand, between agricultural alcohol and other types of alcohol. Mr Hord wishes to exclude totally wine alcohol. Here the Commission is in favour of the reasonable solution, as we see it, which has been advanced by Mr Dalsass concerning supplementary measures both for wine alcohol, especially for its disposal, and also for alcohol based on molasses, which we think ought not to be disturbed by the other alcohols.

President. — This proposal by our colleague, Mr Maffre-Baugé, means that I am obliged to put to the vote the question of whether the Dalsass report is to be referred to the committee responsible, which is the Committee on Agriculture. First, however, I shall call on one Member to speak in favour and one to speak against.

Mr Dalsass (EPP), rapporteur. — (DE) Mr President, I regret that this request had to be made and that after ten years it is proposed once again to refer back to committee, i.e. to the Commission, a proposal which could easily have been accepted.

As regards agricultural alcohol, this would certainly not prove beneficial to us. We would be putting everything off again and accepting this uncertainty — we still remember the judgments of the Court of Justice — and there would never be any clarity in this area.

This request is made up of two components. The Socialists would like to refer the proposal back because they think I am proposing too little, while the Conservatives want to do so because they think I am proposing too much. I would find it regrettable if these two components combined to sabotage the organization of the market in alcohol. That is why I urgently ask you to vote against this postponement and referral back to committee. I, at any rate, am absolutely against it.

Mr Bocklet (PPE). — (DE) Pursuant to Rule 71(2) I would request that it be established whether we have a quorum in Parliament.

(More than ten Members rose)

Mr von der Vring (S). — (DE) Mr President, sometimes appearances speak for themselves. There is no quorum. You do not even need to count.

President. — Nevertheless we must take a count. I would ask Members not to leave the Chamber while the count is in progress.

(A count was taken)

I see that we do not have a quorum. The matter of referral will not therefore be put to the vote and the debate will continue.

Mr Forth (ED). — Mr President, could I just ask if, subject to Rule 71(4), you counted as present those who had asked for the quorum, as required by the rule? Could you just confirm that, please?

President. — Yes, I can indeed confirm that we counted all those present, even two or three colleagues who declined to stand up.

Mr Patterson (ED). — Let us be absolutely clear on this. What you said was you counted those present. The rule says you can count them, even if they have left the Chamber. Could I ask you how many you counted who had left the Chamber and, therefore, were not present?

President. — Mr Patterson, we are not obliged to make such distinctions. It was perfectly clear that we did not have a quorum.

Mr Dalsass (EPP), rapporteur. — (DE) Mr President, you just ascertained that there was no quorum. You have proposed resuming the debate. For my part, I agree, but I would not want someone else to get up and make the same request again in five or ten minutes time. Am I right in my fears?

President. — Mr Dalsass, I think that is always a possibility. However, we should not simply assume that it will happen.

We shall now resume the debate.

Mr Prout (ED). — The Legal Affairs Committee decided that the Commission proposal is defective on two grounds. Firstly, Article 3 contravenes the fundamental principle of proportionality laid down by the European Court of Justice. It does so by guaranteeing agricultural alcohol producers subsidized prices in non-reserve sectors. These subsidized sales, Mr President, would undermine the market for synthetic alcohol with which they are in direct competition. While it may be necessary to give short-term support to the agricultural sector in times of difficulties, it is not possible to do so on a permanent basis within the Treaty system. The permanent advantage given to agricultural alcohol is out of all proportion to the problem the measure seeks to solve.

Secondly, ethyl alcohol used in the reserve sectors, under Article 9 of the Commission proposal, must be ethyl alcohol of agricultural origin. Chemically, Mr President, there is no difference between synthetic and agricultural alcohol. The Legal Affairs Committee, therefore, takes the view that this article is a clear breach of the principle of non-discrimination laid down by the European Court, and probably of Article 3(f) of the Treaty as well.

We deeply regret that the Committee on Agriculture has failed to take the views of the Legal Affairs Committee fully into account and call upon it to reconsider its decision.

Mr von der Vring (S). — (DE) Mr President if it is ascertained that there is no quorum, then the President must immediately announce when the vote will actually take place before a quorum in the Chamber, and under Rule 71(3) — and this is of course the curious and rather senseless part — it must take place at 'the next sitting'. That would be in April. We would then be voting on whether to refer back the report long after adopting it.

It is quite unacceptable if this motion, which cannot be considered because of the absence of a quorum, is repeated every five minutes. You must make it clear at once whether the request for referral back can be put to the vote today at 6 p.m.

Mr Bocklet (EPP). — (DE) I agree with Mr von der Vring that there are situations which are not fully regulated by the Rules of Procedure. In such cases the acting President can to some extent use his discretion. My request is as follows: to put an end to this farcical situation, as described by Mr von der Vring, and to propose that this matter be put to the vote first, at 6 p.m. tonight, at the beginning of the voting, so that the report can then either be referred back to committee or put to the vote. I think that would be the most sensible procedure and Article 71(3) should basically be interpreted in that sense, for its wording is rather ambiguous.

Mr Griffiths (S). — Mr President, on that same Rule 71(3), by asking for a quorum I think a real can of worms has been opened here. Rule 71(3) says quite clearly:

If the vote shows that the quorum is not present, the vote shall be placed on the agenda of the next sitting.

I think that by establishing that we do not have a quorum, we have deferred the whole of this matter to the next sitting. The rule is quite clear.

Mr Van Minnen (S). — (NL) Mr President, that was exactly my point. You must rule that at 6 p.m. the next sitting cannot take place because this sitting will still be underway at that time, and that any referral back to committee can only be decided on in the next sitting. That would of course put us in an absurd situation, but procedurally there can be no doubt about the matter. You as President ought to rule now that in this sitting there can be absolutely no new decision on any referral.

Mr Patterson (ED). — I do not know where this talk of April came in. I ask you to look at Rule 9(1), which states very clearly that a sitting is a single day. I am sorry to have to say this, because I would prefer it to be put off until April, but the correct thing is for it to be put off until tomorrow — both the vote on referral to committee and the vote on the substance.

President. — Ladies and gentlemen, this debate cannot continue. As Mr Bocklet has pointed out, the President certainly has the right, under Rule 83(3), to reserve his ruling on the correct interpretation and application of a rule when that rule is not clear, as is the case with Rule 71(3).

I wish to announce to the House therefore that at 3 p.m. this afternoon there will be a statement from the Chair as to whether we are to vote on the matter at 6 p.m. this evening and how this might be done.

I would now suggest that we resume the debate.

Mr Vernimmen (S). — (NL) Mr President, some Members who have just sauntered into the Chamber for a point of order ought to show more respect for the actual debate we are having and for the time some Members wish to devote to it.

I can agree in principle with the proposal for a simplified alcohol regulation as described in the Dalsass report. This report, in my opinion, can be taken as a basis on condition that some significant amendments are made to the text. I believe that the starting point for determining the alcohol price should be the

molasses price. This molasses price should be fixed once or twice yearly depending on the real price for molasses, which should be based on the cost price, profit margins, commercial costs and transport costs. So the alcohol price should be based as much as possible on simple calculable objective parameters which can be revised periodically and not on a fictitious basis. This presupposes of course that molasses is also regulated somehow or other at Community level and this regulation should be based on the price of alcohol, quantities, sales and outlet sectors.

I think it would be wrong to think solely in terms of subsidised types of agricultural alcohol. And here I should like to say, particularly to the Commission, that the evolution of wine alcohol must be followed with the greatest attention, for here the Commission bears great financial responsibility. A considerable quantity of wine alcohol reaches the market for which the Commission, in implementing the wine regulation, is financially responsible.

Mr President, ladies and gentlemen, I do not believe it is Mr Dalsass's intention to oust molasses alcohol from the market. That would not be feasible anyway. The fact of the matter is that in some Member States 98% of alcohol production is based on molasses. So we cannot afford to ignore this fact, but I would add, Mr Dalsass, that after ten years I think we must finally have the courage to approve an amended Dalsass report and put a stop to these endless discussions.

President. — Ladies and gentlemen, I fail to understand how there can still be objections, when the Chair has promised that, under the terms of Rule 83(3), an announcement will be made to the House when the sitting is resumed, i.e. at 3 p.m. today, about what is to happen.

Mrs Elaine Kellett-Bowman (ED). — On a point of order, Mr President. When giving your original ruling before the last speaker, you based your observations on the fact that if there was a lack of clarity in the rule, then the discretion lay with the President. I would submit that there is no lack of clarity whatsoever. In Rule 71(3) it says quite clearly:

If the vote shows that the quorum is not present, the vote shall be placed on the agenda of the next sitting.

That allows absolutely no discretion whatever to the President.

President. — I take note of your remarks. You will get an answer at 3 p.m. this afternoon. I cannot take any further questions on the Rules of Procedure.

Mr Clinton (PPE). — Mr President, I would first like to thank the Bureau and the Presidency for providing an opportunity for me to raise an important urgent and related matter which I submitted as an urgent motion, but which the Bureau, in their wisdom, decided should not be discussed with the Dalsass report. I am referring to the dumping of alcohol.

(Cry of 'Shame')

Representatives of the distilling industry in Ireland have brought to my attention the severe consequences for their industry resulting from the disposal of French alcohol on Community markets at prices which are much lower than can be justified on the basis of fair competition. It is the common understanding in the countries concerned that the price at which French agricultural alcohol is exported is based on manipulating French domestic arrangements for the disposal of agricultural alcohol and, in addition, may well reflect an abuse of the Community's sugar regulation.

While in terms of volume the effects have been severe in countries such as Germany, Britain and Holland and the amounts of alcohol imported into Ireland have been comparatively small to date, it will be realized that the scale of operations in these other countries is very much greater than in Ireland. Ireland accounts for less than 1% of Community purchases of agricultural alcohol, and it would require only a tiny part of the French excess production to slump the Irish market.

It therefore surely gives grave cause for alarm that French suppliers are now pushing very hard for a contract with the largest Irish purchaser of this material for an amount in excess of 2 million litres, accounting for approximately 30% of the Irish market. If they should succeed in capturing such a large share of the market on the basis of unfair competition, the whole basis of viability of the industry in Ireland must be called in question.

I understand that the Agriculture Ministers in a number of Member States have already asked the Commission to take action to remedy this by introducing countervailing duties under Article 46 of the Treaty or otherwise, and thus the Commission has written to the French Government urging it to take action. Since, however, there is no evidence that the French Government is prepared to take action and it is clear that the Commission has been dragging its feet in this matter, it would appear that the only way of remedying the situation is for the Member States concerned to act together in resolute and concerted fashion.

Whereas countries such as Germany and Holland have been discussing this question with the Commission for some considerable time now, while the industry in these countries continues to suffer damage, it is particularly worrying in the case of Ireland that it would only take one or two contracts on the lines indicated

to close our industry completely. These circumstances, and other considerations, really put us in the position that weeks or even days may be vital: if we do not take immediate action, we may find ourselves in a hopeless situation.

I want to warn the Commission that if Ireland is not given permission to introduce immediately a countervailing duty against this dumping, we shall be reluctantly forced to take the law into our own hands. We have 17·1% of our people unemployed, and we cannot allow any more of our people to become unemployed while the Commission looks on at this form of illegal dumping.

I think I have explained this case quite clearly. The Commission is simply doing nothing about it and we simply will not have our small industry closed down in Ireland because of the unforgiveable inaction of the Commission in this matter over a long period.

Mr Richard, Member of the Commission. — Mr President, I think that in view of what Mr Clinton said, I should answer straight away.

As far as his motion is concerned, the Commission's position is broadly this. The application by the Commission of a countervailing duty on the export of alcohol to other Member States, based on Article 46 of the Treaty, at the moment — and I stress those words — is still an open question. May I tell Mr Clinton why. The possibility of applying Article 46 after the expiry of the transitional period, and in the present circumstances, is not only still a matter of very considerable legal controversy, on which we have not yet taken a final position, but it is also one which the Court of Justice is examining at the moment. I hope — and this perhaps may be the real point of my intervention to Mr Clinton — the Commission may be able to reach a decision on this in the next few days.

Mr Prout (ED). — Mr President, I would like to ask you again, under Rule 85(1), to refer the Dalsass report and the Commission proposal back to the committee.

President. — You have a right to do so. If you want us to waste our time . . .

(Mr Chambeiron asked that a quorum be established)

Are there ten Members who wish to have a quorum established?

(More than ten Members rose — a count was taken)

I see that we do not have a quorum. In accordance with Rule 85(2) which states:

President

The matter shall be referred back to the committee responsible where, pursuant to Rule 71(3), two votes have been taken with a request that the number of those present be ascertained, without the required number being reached,

the report will be referred back to the committee.

Mr von der Vring (S). — (DE) Mr President, do you know what we are referring back now? We are not referring back the report but the request for referral, since that was rejected.

President. — No, Mr von der Vring, that is not the case.

Mr Dalsass (EPP), rapporteur. — (DE) Mr President, I would not have minded if you had taken a decision earlier, when I made my request to you, so that we did not have to keep returning to the same old argument. Now we have reached the stage of a deferral being requested twice.

The Rules of Procedure provide that if referral back is requested twice and there is no quorum then — but earlier this was done pursuant to another rule — the report shall be referred back to committee. But we cannot proceed in this manner because otherwise a matter could be referred back every time someone asked for it to be ascertained whether there was a quorum and, if not, put the same request a second time.

(Applause)

President. — Mr Dalsass, you asked whether it was permissible for a further request to be made that a quorum be established. I replied that that was possible but that I hoped that it would not happen. Now since Rule 71, as you yourself have admitted, does not lay down precisely how we should proceed, I have invoked Rule 83(3) and announced to the House that we shall decide on this matter at 3 p.m. this afternoon.

In the meantime, however, any Member has the right, under the terms of Rule 85(2), to ask again that a quorum be established. If this happens, then that same rule obliges us to refer the report back to the committee.

Mr von der Vring (S). — (DE) Mr President, I must ask you in all seriousness to note this point very carefully. It creates a precedent which could completely destroy our future activities.

(Applause)

If your interpretation is correct, the following could happen: If five Members happen to be present at a

debate one evening, anyone of them can request referral back to committee. He will not find a quorum. So two minutes later he tries again. Once he has tabled this motion twice, the item must automatically be referred back. That totally destroys the point of the quorum. Surely you cannot give such an absurd interpretation of a paragraph of the Rules of Procedure just like that, off the cuff!

You said you would consult the Bureau and inform us at 3 p.m. of the outcome. You cannot do anything else now, Mr President, otherwise we will paralyse this part-session until the weekend. For we would then do the same for every single motion for a resolution, and do it every five minutes!

President. — Mr von der Vring, to take the second part of your remarks first, you should not accuse the Bureau of wanting to put a spanner in the workings of the House. What you have said is, however, logical and fair. This danger does exist, of course, but we are tied to these Rules of Procedure, which after all were adopted at the time by this House, and they are absolutely clear on this point.

Mr Dalsass (EPP), rapporteur. — (DE) Under Rule 85(4) of the Rules of Procedure, Parliament may set the committee a time limit. Now, in my view the committee should be set an early time limit so that we can consider this matter again at the next part-session in April.

President. — Who wishes to speak in favour of Mr Dalsass' proposal?

Mr Louwes (L). — (NL) Mr President, I should like to speak in support of Mr Dalsass's proposal. The situation in the Community alcohol market is chaotic and desperately in need of harmonisation and market regulation, and any delay in Parliament's delivering an opinion means that the present chaos will continue. So I shall vote in favour of Mr Dalsass's proposal.

Mr Hord (ED). — Mr President, I would like to speak against Mr Dalsass' proposal.

I am for the general proposal that it should go back to the committee. The reason I oppose Mr Dalsass' specific suggestion of returning it by April is that I do not think there will be sufficient time for all Parliament's other committees to consider the substantial number of Mr Dalsass' amendments. It is not funny, it is serious. And it is on that basis that I think the Committee on Agriculture needs more time to consider it and to secure revised opinions of the other relevant committees of Parliament.

Mr Pranchère (COM). — (FR) Under Rule 71, I request that it be ascertained whether or not a quorum is present.

President. — Are there ten Members who wish to have a quorum established?

(More than ten Members rose)

I note that we do not have a quorum.

This matter will be put to the vote at 10 a.m. tomorrow.

Mr von der Vring (S). — (DE) Mr President, may I request that the sitting be adjourned now and resumed at 3 p.m. Clearly, chaos is reigning and I ask you to convene the Bureau at once to consider this incident.

6. Agriculture in the Highlands and Islands of Scotland

President. — The next item is the report (Doc. 1-1177/82) by Mr Provan, on behalf of the Committee on Agriculture, on the state of agriculture in the Highlands and Islands of Scotland and other severely disadvantaged regions of the Community.

Mr von der Vring (S). — (DE) Before you give the floor to Mr Provan, I move that this report be referred back to committee.

President. — I am really getting the feeling that some colleagues are now trying to disrupt the sitting. One Member may now speak for this proposal and one Member against.

Mr von der Vring, you have just requested that the Provan report be referred back to committee.

Mr von der Vring (S). — (DE) That was my first request. I now move that it be ascertained whether a quorum is present. Then the report would automatically be referred back.

President. — Ladies and gentlemen it is now 12.54 p.m. and I shall bring the proceedings to a close. We shall resume at 3 p.m.

(The sitting was adjourned at 12.54 p.m. and resumed at 3 p.m.)

IN THE CHAIR: MR DANKERT

President

7. Statement by the Bureau on the interpretation of Rule 85 of the Rules of Procedure

President. — Before we begin our proceedings, I should perhaps make some comment on the exchanges that took place this morning and say something about the correct interpretation of Rule 85 of our Rules of Procedure. First of all I should like to express my wholehearted solidarity with Mr Nikolaou, who chaired this morning's sitting. I fully support his decision to refer the Dalsass report back to committee and to take the vote tomorrow at 10 a.m. on Mr Dalsass' proposal that the Committee on Agriculture be set a time limit, in fact, until the April part-session.

Having said that, I should like to make a few further comments in order to forestall further difficulties arising this afternoon. I am basing my remarks on the Dutch version of Rule 85. The interpretation of this article is far from clear, and the second paragraph, if one reads it carefully in the entire context, cannot actually be taken to refer to proposals on the agenda but only to the content of documents. This would be my own tentative interpretation, and it is the one that I shall try to apply in future until such time as the Committee on the Rules of Procedure and Petitions, which I have asked to consider this entire question, comes up with a more authoritative interpretation of the entire matter. As I have already said, the Dutch text is quite clear on this matter. However, it is possible that it may give rise to certain misunderstandings in the other languages.

I call Mr Nord to speak on this point, but I do not want this to give rise to a full-scale debate on the question, because we must leave it to the Committee on the Rules of Procedure and Petitions.

Mr Nord (L). — (NL) Mr President, I was delighted to hear your statement. The only reason I asked for the floor was to say that I do not think the meaning of the rule in question is ambiguous. I think it is perfectly clear. The French text I have in front of me is even clearer than the Dutch text. If you look at paragraph 2 and its place in between paragraph 1, which states that referral back to committee may be requested by any Member at any time, and paragraph 3, which says what the consequences of such a request are, then it is perfectly obvious that it deals with the time at which the substance of the report in question is being debated, and that therefore two votes must be taken if the quorum is not attained, after which the matter is automatically referred back. In my opinion there is absolutely no ambiguity. Your interpretation is the

Nord

only correct one and I am sure that your opinion will be confirmed by the Committee on Rules of Procedure and Petitions.

President. — I hope that, as a member of the Committee on Rules of Procedure and Petitions, you will be able to push this interpretation through.

Mr Dalsass (EPP). — (*DE*) Mr President, I certainly did not expect you to do other than declare your solidarity with the chairman. In your position I would probably have done the same. But I thank you for interpreting the rule in the same way as I did, to the effect that in fact our procedure was wrong. May I now make a request. The fifth paragraph reads that if a motion requesting referral back to committee is rejected, it shall not be tabled again during that debate.

That was not the present case. But may I urge you to check whether the second paragraph could not be interpreted in the same way, i.e. if there is no quorum, the motion may not be tabled again during the same debate. I do not think one can keep repeating the same motion during a debate. That would lead to an absurd situation and we, any one of us, could paralyse the proceedings of the European Parliament. Anyone could prevent any proposal at all by Parliament from being adopted. For we are always in the same situation of far too few Members being present at a debate — and if it suddenly occurs to ten Members to request that the presence of a quorum be ascertained, that will always be possible. So I ask you to enquire into this aspect too.

President. — I think that we are agreed that this aspect of the problem is more easily dealt with in the light of the interpretation that I have already given but that we also believe that the whole matter should be referred to the Committee on the Rules of Procedure and Petitions.

Mr von der Vring (S). — (*DE*) Mr President, may I thank you for your interpretation and point out to the chairman of the Committee on the Rules of Procedure that he still has his work cut out. The French text is clearer than the Dutch one. For the Dutch text reads somewhat differently. That will produce difficulties. I said this morning that, according to the interpretation which the President found himself, against his will, forced to give, I together with 21 Members would be able, once the Chamber was emptier again, to postpone all the items of the agenda until 4 p.m. That cannot be the original intention. I understood your statement to mean that this would not be allowed in future, until the Committee on the Rules of Procedure had made a definitive pronouncement on the matter.

I tabled this motion on Mr Provan's report not because I want my esteemed colleague's report to be referred back but, to quote Bismarck, because in the hour of danger one simply turns to the weapon nearest at hand.

At the time Bismarck turned to the weapon of universal suffrage. Later he regretted this because it had some effects he had not intended.

I found myself forced to this conduct because the President told me that logically I had acted correctly, but that he had been forced to act as he did. The purpose cannot be for 21 Members to be able to paralyse a Parliament for a whole week. That should not be our future interpretation. That is why I will of course withdraw my motion for referral back of the Provan report. That report should be discussed today. I wish it every success. But may I make one observation to the Committee on the Rules of Procedure. If, as provided in the Dutch text, an attempt is made to vote on a matter but there is no quorum, and if this occurs twice, then that matter shall be referred back to the Committee on the Rules of Procedure. But if the matter was a point of procedure, how can one then refer back the point of procedure for further consideration by that committee? That is a contradiction in terms, a nonsense, and there must not be any nonsense in a Parliament, at least as regards the Rules of Procedure. Nonsense may be spoken, but must not be written into the Rules of Procedure.

Please accept this as a statement. I did not intent to sabotage Parliament, but to prevent a precedent from being established which would have allowed any saboteur to destroy our work.

President. — We have referred the matter to the Committee on the Rules of Procedure and Petitions. In the meantime we shall simply have to be going on with my interpretation of the rule, and I feel that we can carry on with it for quite some time.

Mr Pranchère (COM). — (*FR*) Mr President, I have listened respectfully to your interpretation, and you were referring to the Dutch text. To my understanding, however, the debate this morning was conducted in complete conformity with the Rules of Procedure. Rule 85(2) could not be clearer. Referral back to the committee was automatic, and this opens up the various possibilities set forth in the following paragraphs. The Rules of Procedure were adopted by this House. If we now find that these Rules have certain consequences, we cannot call them into question, or where would we end up?

President. — No, Mr Pranchère, there is no question of contesting the Rules of Procedure. All we are doing is asking the Committee on the Rules of Procedure and Petitions if it is possible to refer back to com-

President

mittee procedural questions which are the province of the plenary Assembly. This provisional interpretation of Rule 85 has been accepted until such time as the Committee on the Rules of Procedure and Petitions can give its ruling on the matter.

8. Topical and urgent debate (objections)

President. — Pursuant to Rule 48(2), second sub-paragraph, I have received the following objections, tabled and justified in writing, to the list of subjects to be debated at tomorrow's topical and urgent debate.

(The President read the objections)¹

I would remind the House that the vote on these objections will be taken without debate.

I have also received from Mr Enright a request to be allowed to submit a procedural motion at the beginning of the vote on the requests for urgent procedure.

Mr Enright (S). — I refer to the motion for a resolution tabled by Mr Bord and also by the Liberal and Democratic Group and I would wish in no way to . . .

President. — Mr Enright, the Bord motion for a resolution has been withdrawn.

Mr Enright (S). — In that case I refer merely to the Liberal and Democratic Group, Mr President, and I would wish in no way to comment on the contents of those motions for resolutions. But I would wish you to comment upon whether or not, under the rules that we have, it is possible to overturn specific decisions that have been made by the plenary session. I was very surprised to receive a note from Mr Pannella suggesting that we should overturn a decision of the plenary. I can find no way in any of the rules — and I refer to the Rules of Procedure, Second Edition, February 1983. I have read them very carefully and very closely again and again, and there is no way in which it is possible for a decision taken by the plenary to be referred again to the plenary the following month. I think that is quite wrong and would be a mockery. Certainly, as far as Mr Pannella is concerned, it would open up a whole can of worms.

I therefore appeal to you, Mr President, to rule out of order this motion by the Liberals.

(Applause)

President. — Mr Enright, I would make three comments on your intervention.

The first concerns the rules, namely, that all that is not forbidden in principle is allowed.

(Applause)

The second is that when we took the decision on a meeting in Brussels, it was clearly stated that there should be an enquiry into the feasibility of such a meeting. A report has been drawn up by the quaestors which has been communicated to the groups. It is natural that each individual Member should be able to judge, in view of the circumstances of a meeting in Brussels, whether or not he thinks, after that communication, it is feasible or not. It is a question of individual judgment.

Thirdly, I think that the proposal by the Liberal Group indicates also that there might be a problem with regard to the agenda. We decided, in principle, to have the meeting at the end of April/beginning of May. But we are now approaching that date, so from that point of view I think that the resolution is completely within the possibility and the rights of this Parliament to judge.

(Applause)

We shall now proceed to the vote.¹

9. Question Time

IN THE CHAIR: MR MØLLER

Vice-President

President. — The next item is the second part of Question Time: questions to the Commission (Doc. 1-1346/82).

As the author is absent, Question No 38 will be answered in writing.²

At the request of its author Question No 39 is being held over to a later part-session.

Question No 40 by Mr Galland (H-399/82):

Following the meeting of the IMF General Assembly, it appears that no agreement could be reached by the wealthy nations and the underprivileged countries on a

¹ See Minutes.

² See Annex II.

President

strategy to overcome the current international economic and financial crisis. Nevertheless, the scale of indebtedness of the developing countries is a cause for great concern on the part of the industrialized nations and is itself sufficient to justify a resumption of the North-South Dialogue. Has the Commission, therefore, any plans to submit proposals with this in mind, and if so, what are they?

Mr Ortoli, Vice-President of the Commission. — (FR) The Commission attaches the same importance as Mr Galland to continuation of the North-South dialogue. However, I am able to say that the most recent results at the International Monetary Fund demonstrate that talk of a breakdown is unwarranted. The Toronto meeting confirmed the awareness of the need to increase the Fund's financial resources and to secure international financial stability. The last meeting of the International Monetary Fund in Washington saw the adoption of a series of very important measures, comprising an increase of almost 50% in the quotas, and the action by the Group of Ten in extending access to the general borrowing arrangements to all member countries and trebling the resources available under these agreements.

This said, the Commission is actively engaged in seeking the best possible co-ordination of the positions taken up by the Member States in the International Monetary Fund and the other multilateral financial institutions. We are not a member of the International Monetary Fund, as you are aware, but we made it absolutely clear how much importance we attached to the reconstitution of the Fund's resources and I believe that the Community's position was a decisive factor in the success of these recent meetings.

On a more general plane, we are doing all that we can to promote a resumption of the global dialogue: having secured the adoption by the European Council of the broad guidelines which are to serve as the basis for joint action by the Community, we have recently submitted to the Council — and forwarded to the Parliament — a communication on the sixth UNCTAD which is due to be held in Belgrade later this year.

I would add that the North-South dialogue is not confined to discussions at global or multilateral level. For the Community the regional level is also very important. I am thinking here of our action through the Lomé Convention, and of the bilateral action taken by our Member States.

Mr Galland (L). — (FR) I thank Mr Ortoli for his clear and positive explanations. I should still like to ask him the following supplementary question: does the Commissioner think that the idea launched recently by a number of politicians according to which the equivalent of the 1945 Marshall Plan could be set up between the North and the South with the twofold aim of help-

ing the developing countries to eliminate their debt burdens and rectify their appalling lack of capital investment, while at the same time bringing them into a process of recovery by the European economies, is a realistic idea or not?

Mr Ortoli. — (FR) When we begin to say in the Group of Ten that we are prepared to deploy very substantial resources — we are talking of 20 billion dollars — to make the financial system as secure as possible, we are already taking a first step. When, by organizing a series of discussions, we help to find solutions to the most acute indebtedness problems by mobilizing international public resources through the International Monetary Fund or by securing the banks' co-operation, we are also making a contribution to this global effort — and this entails mobilization of funds which are not channelled through some Marshall Plan but which are real. Thus, behind all this effort, there is a series of financial measures which is not being called a Marshall Plan, but which represents the development of a package of very real resources.

In this connection, I believe that the best solution — and I imagine that Mr Galland will not disagree — bearing in mind the balance-of-payments currently experienced by some of our Member States — is to take more positive steps towards a recovery, and we have a part to play in that respect.

Bringing down interest rates is in itself one way to help the developing countries, since their debt burden is so great. Economic recovery, with the possibility of improving the terms of trade through some increase in the price of raw materials which are their main source of revenue, is another way of giving them real help through trade. The same would be true of an increase in the volume of imports in the event that we did indeed achieve an economic recovery.

I therefore consider that it may be convenient to talk of a Marshall Plan, but that the spirit is the same, although the means may perhaps be different, when you have countries which are themselves sorely tried examining a comprehensive range of measures whose combined effect will help to support the developing countries.

Mr Herman (PPE). — (FR) If it is unable to become a member as a body, could not the Community — perhaps on a proposal from the Commission — take the initiative of co-ordinating more fully the positions of its Member States within the International Monetary Fund?

Mr Ortoli. — (FR) It is already doing so. Positions are co-ordinated before all meetings, in principle we adopt a joint position, and the President of Council speaks on behalf of the Community. Not only is this

Ortoli

so, but in fact at the last meeting held in Washington the President spoke only on behalf of the Community and not at all in his capacity as a German minister.

Mr Denis (COM). — (FR) The Commissioner has referred to the forthcoming UNCTAD. Could he give us a clearer indication of the attitude that the EEC intends to take on the proposals concerning the debt burden of the developing countries and, more specifically, examination of debt rescheduling or a moratorium?

Mr Ortoli. — (FR) We have not yet reached that stage. I have given details of the various measures concerned with indebtedness that are currently in hand. The first steps have been taken with the reconstitution of the Fund's liquid assets, and more progress is being made through the discussions that are held periodically. That is the present position.

Mr G. Fuchs (S). — (FR) I was pleased to hear Commissioner Ortoli tell us that an increase in raw materials prices would have an important part to play in the resumption of the North-South dialogue. Could I ask him what action the Commission has taken to facilitate use of the common Fund and to persuade certain Member States to adopt a more positive attitude in this respect?

Mr Ortoli. — (FR) Our attitude to this matter, as you are aware, is entirely positive, though we have to work within the limits set for the current financial year. You will also be aware that the discussions are still in progress, so that we shall have to persevere in our efforts to find solutions along these lines.

President. — Question No 41 by Mr Maher (H-423/82):

It is the intention of the President of the Commission to reorganize that body so as to ensure a more equitable sharing of responsibilities between Commissioners?

Mr Andriessen, Member of the Commission. — (NL) The question was put to the President of the Commission himself, and I should like to start by apologising for the President who is unable to answer it himself due to most urgent and unexpected business and he has asked me to reply on his behalf.

The subject was also raised in this House last October as a result of a question put by Mr Moreland. May I refresh your memories in general terms, Mr President?

On 7 January 1981 the portfolios of the Members of the Commission were shared according to the Rules of Procedure of the Commission and this distribution has remained unchanged despite some changes since then in the composition of the Commission. There is no obvious reason in itself to change the portfolios after they have been shared out whenever a Member of the Commission is replaced.

May I draw your attention to another point, and the fact that I am speaking here just now is proof of this, which is that the Commission acts as a collegiate body, which can allocate specific areas of its activities to specific Members who then bear particular responsibility for policy formation on the one hand and implementation of decisions on the other hand. But that does not detract from the fact, and I wish to underline this, that responsibility for Commission decisions as such is borne by all Members, as the Commission is a collegiate body.

In answer to the specific question asked I should like to reply that the President of the Commission does not intend at the present time to redistribute portfolios among the various Members of the Commission although he regularly examines the suitability of this distribution. I can therefore state on behalf of the President that he will not fail to submit proposals to the college on redistributing responsibilities whenever and wherever it is deemed necessary in view of the current political priorities.

Mr Maher (L). — I wish to thank Mr Andriessen, but in doing so I too want to express regret that it has not been possible for the President of the Commission to be here to answer a question of that kind, and that is not casting any aspersions whatever on the capacity of Mr Andriessen to deal with the question. But, nevertheless, it is really a question for the President of the Commission. I must confess that I am disappointed with the answer, to say the least, because essentially what has been said is that nothing can be done. I have to ask the Commission why it is that certain nationalities seem to have owned certain important portfolios in the Commission on a continuous basis, almost from the beginning. Why is that the case? Why is it that some others, in fact, are given very minor tasks which could only be described as a ragbag of portfolios, some of the Mickey Mouse tasks — that is the only way one could describe it in fact — and this does not cast any lustre whatever on the Commission or, indeed, on the countries where that particular Commissioner happens to come from? I would like to ask why it is that some countries seem to have a complete ownership of some portfolios, as the records show.

President. — Mr Maher, I have the impression that your question was more of a rhetorical nature and did not actually require an answer from the Commissioner. Nevertheless, I would like to give Mr Andriessen an opportunity to reply.

Mr Andriessen. — (NL) I do not intend to give a rhetorical answer to your question which itself could be qualified as rhetorical. I shall be very specific. I equally regret, as does the Commission, that due to circumstances beyond his control the President of the Commission is unable to be present here to give a personal reply to a question which was directed to him personally. I am very grateful to what the Honourable Member said on my qualities on the issue.

Now to the subject itself. If you look at the history of the Commission and see how responsibilities were distributed in the past to the various members of the college, then it is clear that what the Honourable Member has suggested, namely that representatives of small countries have always received so-called small portfolios, is simply not true. I think that statement is not borne out by historical facts, and if you look at the present Commission the fact that the President of the Commission comes from a country which is certainly not the biggest of all Member States bears me out on this. So what the Honourable Member said is just not true. That is the first point; and it is also untrue that certain portfolios always remain with certain countries. Of course sometimes portfolios are carried over, and that is a historical fact. It is equally true that in the course of time portfolios, and important portfolios, have been changed.

I therefore believe that having put the facts straight I have no further need to answer the question.

Mr Maher (L). — I want to correct the Commissioner. I never mentioned small countries. I said 'some countries'. I made no reference whatsoever to small countries.

Mr Albers (S). — (NL) On the subject of a fair distribution of responsibilities, surely it is more important for the dialogue between Parliament and the Commission that the Commissioners should speak on subjects with which they are familiar, that they can talk sensibly on questions put to them? I consider that most important in the dialogue between Parliament and the Commission.

Mr Andriessen. — (NL) I believe that is true, that Commissioners take upon themselves specific responsibilities within the Commission, that they acquire knowledge and expertise in their specific areas which the Honourable Member considers so important in the dialogue with the Commission. I do not think it can be claimed that the Commission in general has failed in the requirement to be knowledgeable in the dialogue with the Parliament.

Mr Moreland (ED). — As I understand it, the decision on portfolios is a collegiate decision. Would the Commission not agree with me that if any government

within the Community decided its portfolios on a collegiate basis, we would have very few changes of portfolios within that government. I would suspect that that is true of my own government and of others. Surely the Commission must take note of Parliament's view, which I think many Members express, that the time has come for a reshuffle of some portfolios and that it is absolutely untrue to say that certain portfolios do not seem to have a national tinge to them, such as development.

Mr Andriessen. — (NL) I can be very brief on this point. I think that Parliament and the Council or governments must understand clearly that responsibility for distributing portfolios is and should be a matter for the Commission and no one else. That is the formal legal and formal political situation and I wish to reiterate that on behalf of the Commission. The fact that attempts are sometimes made to influence this distribution does not detract from the correctness of the position as such.

Mr Davern (DEP). — With regard to the Commissioner's last statement when he said this was the legal, official way, I wonder whether it is the practical way in which the Commission is appointed. We have had evidence before of national interference. Firstly, does the Commissioner accept that some Commissioners are over-worked while others, although available, seem to be underworked? Secondly, does he accept that there is an element of selfishness — so it would seem to many Members and observers of this Parliament — in keeping too many portfolios in one *cabinet*?

Mr Andriessen. — (NL) I think that the burden of responsibilities of the various members of the college cannot be measured solely in terms of the number of responsibilities they are assigned. It must be seen in two ways. Firstly, in what I said on the collective responsibility for Commission policy and secondly — and I believe this to be equally important — that the content of the one portfolio may be different and more burdensome than that of another portfolio. One cannot therefore draw conclusions on appearances as the Honourable Member may appear to be doing.

There are of course differences. There are also differences in responsibility because the political importance of certain activities can change in time. It was with that in mind that I said that the President of the Commission examines these matters regularly and will not fail to act whenever he considers it necessary.

Mr Clinton (PPE). — Could I ask Mr Andriessen if he accepts that we are talking about quite a senior and quite an experienced Commissioner? Is he not prepared to admit that he has been given the responsibilities of quite a junior Commissioner starting out for the first time? If the explanation is that everybody should

Clinton

be satisfied once they get their toe in the Commission and become part of this select collegiate, why are certain portfolios in the Commission held on to so jealously and why do certain Member States insist on getting these particular posts in the Commission?

Mr Andriessen. — (NL) Firstly I think there could well be subjective differences in assessing the interest or importance of specific portfolios. The fact that some press for some portfolios and others press for other portfolios can be a reflection of the subjective assessment of such a portfolio, or greater interest that the specific member of the college has. I do not believe that there is reason for the conclusion suggested by the Honourable Member.

I just want to add this; if, without it actually being said in so many words, a specific Member of the Commission is apparently being referred to, then I want to say that surely Parliament cannot accept that coordinated responsibility for the mandate, coordinated responsibility for the Greek memorandum or coordinated responsibility for Greenland, which is very important, is assessed in the way some Members of Parliament have done.

President. — I would like to ask the Commissioner to inform the President of the Commission that when there is a question specifically for him, Parliament regards it as very important that he should be present on Wednesday when the question is to be answered. It is clear that this was a question which could have been answered authoritatively only by the President of the Commission. Mr Andriessen did his best to clarify the matter and I thank him for doing so.

Mr Andriessen. — (NL) With your permission, I have already said twice in this sitting that because of very unexpected special business the President unfortunately and to his great regret cannot be present here. In general I must say that the President certainly respects these important activities in Parliament. In the present circumstances he was unable to do so. If your request contains an implicit criticism of the President's absence, then I wish you to release me from that obligation. It was genuinely impossible for him to be present here and I am perfectly willing to explain to you personally the reasons for his absence.

President. — I am not trying to make a complaint, but I would put it to you that you might tell the President of the Commission that the House would have liked very much to have had him here today to answer this question. I understand that it was not possible for him to be here right now, but we could have been informed of this in good time so that Question Time could have been made the first item of the agenda of some sitting which the President of the Commission could have attended.

Question No 42 by Mr Davern (H-556/82):

Is the Commission aware that more than 55% of Irish imports and especially agricultural input is imported from the United Kingdom for reasons of tradition and proximity, furthermore is the Commission aware that because of Ireland's Membership of the EMS and Britain's continued absence, there exists a totally distorted situation to the detriment of the Irish economy and finally do the Commission agree that a substantial part of Irish inflation (9% over two years according to certain eminent economists) is 'imported' as a direct consequence of Britain's refusal to-date to join the EMS? What measures do the Commission intend to take to counteract this totally unacceptable and totally anti-Community situation?

Mr Ortoli, Vice-President of the Commission. — (FR) The Commission is aware that a large — albeit declining — proportion of Ireland's trade, particularly in agricultural and related products, is with the United Kingdom. It is also aware that the inflation rate in Ireland, which has a small and exposed economy, is influenced by trends in import prices. In addition, substantial fluctuations in the exchange rate of sterling have certain effects on the Irish economy. A decision by the United Kingdom to join the European Monetary System would help the Irish authorities in their efforts to bring their domestic inflation rate under control, which is still the most important task.

However, I should like first of all to make the point that these fluctuations had been tending to even out until recently, when the United Kingdom's exchange problems have gradually re-emerged. My second point is that, since Ireland's accession to the European Economic Community, the Irish economy has received increasing amounts from the Community in transfers and loans to help finance the necessary structural adjustments, and that these funds have assisted Ireland in its efforts to curb inflation.

Mr Davern (DEP). — In view of the acceptance of the principle of granting money to the Irish Government to cover the need for adjustment during the first period of the EMS, notwithstanding the fact that it was not then known that the British pound would rise so high, does the Commissioner consider that the £ 89 million, mentioned as compensation, should be paid to the Irish Government, in view of its being victimized by the fact that the nearest trading neighbour was not a member of the EMS, a fact which is outside the control of our country?

Mr Ortoli. — (FR) If I understand the question correctly, it is concerned with the interest subsidies allocated to Ireland for a period of five years from the time of its joining the European Monetary System.

Ortoli

I would point out that these interest subsidies were granted not because the United Kingdom was not in the European Monetary System but in order to take account of the special problems facing Ireland at the time of joining our common monetary venture.

I should make it clear that, as I was saying a moment ago, this is only one of a series of economic effects that membership of the Community has brought for Ireland through the financial machinery since, to take the example of 1981, the interest subsidies of 51 million have to be seen in the context of a further amount of some 500 million provided in the form of subsidies from the EAGGF, the Social Fund, the Regional Fund etc. It is therefore necessary to take a wider view. I note Mr Davern's question, however, and take it that he is asking us whether we should not be considering a renewal of the action taken in 1977, irrespective of the relationship between the United Kingdom and the EMS. We have this matter under consideration and I think that the Commission will be dealing with it in the relatively near future.

Mr J. D. Taylor (ED). — Since the inflation rate in the Republic of Ireland is at least three times greater than that in the United Kingdom, if countries were to start complaining about importation of inflation, should it not be the United Kingdom that is complaining about the continuing high levels of inflation in the Republic of Ireland? If the honourable Member, Mr Davern, is correct in his allegation that the Republic of Ireland has been harmed by membership of the European Monetary System, would it not be wiser for the Republic of Ireland to once again exercise its own right to return to the sterling currency, where I know many of his constituents would like to be?

Mr Ortoli. — (FR) I wonder whether that was a question or a statement. If it was a statement, then it is not for me to comment. If it was a question, then I have already given you a clear enough answer. There may have been price effects associated with the monetary fluctuations between Ireland and the United Kingdom. I have also told you in the clearest terms that I did not consider that this was the only factor involved. However, I cannot accept Mr Taylor's analysis. On the contrary, I would inform him that I consider it undesirable for us in this House collectively to underestimate the importance of the European Monetary System as such.

We complain bitterly of the fluctuations around the world; if we wish to develop Europe's influence we should seek to do so by reaching agreement among ourselves, by working together, by bringing our policies into line with one another and by speaking with a single voice to the rest of the world, the effect of which would be better than any other change which could be suggested.

Mr Enright (S). — Would the Commission enter into negotiations with West Yorkshire County Council if it were to join the European Monetary System? Currently, as with Southern Ireland, it is being harmed very much indeed by Mrs Thatcher's monetary and monetaristic policies and, therefore, just as Southern Ireland quite rightly needs protection, so does the West Yorkshire area. Therefore, if West Yorkshire County Council applied to join the European Monetary System, would the Commission give me a guarantee that they would conduct serious negotiations with them, particularly over that period where a Conservative government was still in control?

(Interruptions)

Yorkshire County Council is the most important entity within the United Kingdom.

President. — Mr Enright, while your remarks were put in the form of a question, they were in reality a personal statement. I rule therefore that Mr Ortoli does not have to answer your question.

Mr Enright (S). — Why not?

President. — Why not? Because we know that it is impossible for West Yorkshire ...

Mr Enright (S). — Yorkshire has a larger population ...

(Cries of 'no', 'no')

... than some member countries, and it is perfectly valid to ask for an answer.

(Interruptions)

President. — Order! Order!

West Yorkshire has a big population, but it is not an independent State and it cannot be a member of ...

Mr Enright (S). — The way Mrs Thatcher is going on it will be, Mr President!

Mr Ortoli. — (FR) Mr President, you have answered for me.

Mr Maher (L). — Mr President, if you would permit me briefly, since you made a certain comment a few minutes ago, to say in relation to the previous question that I was informed by Mr Thorn's office yesterday that he could not be present today. So I did know. I want to clear that.

Maher

My supplementary. Could I ask the Commission, in view of the fact that the basic problem is that we all have different currencies — and this is one of the basic reasons why we all have different inflation rates — whether it has any new proposals to put forward to ensure that we achieve monetary union in the shortest possible time, as this would get rid of this problem of differing rates of inflation?

Mr Ortoli. — (FR) That would be a very wide debate and I would remind you that a monetary union would not be enough in itself to solve the problems. At present much of the instability that we are experiencing is attributable to a lack of convergence between policies. That we need to achieve such convergence seems to me self-evident. That we need to set up the means of doing this seems equally clear. The need to find ways of achieving greater compatibility of policies, on budgetary and monetary matters for instance, within the Community is a topic frequently debated in this Chamber. I can therefore only hope that we shall succeed in attaining this convergence, by bringing inflation rates into line and by avoiding fluctuations which often owe more to divergent national policies than to the existence of the European Monetary System.

Mr McCartin (PPE). — I cannot agree with the insinuation that it is entirely a negative thing for us that the British pound improved its value over the years, because, as well as buying things from Britain, we sell things to Britain. But while, of course, the balance of trade was slightly in their favour they had a slight advantage, so there is some merit in the allegation. Mr Taylor says we should have the same currency. I would dearly love to have the same currency as the people of Britain, provided it is not the pound sterling but a European currency unit which would be common to all the countries of this European Community.

(Cries of 'question, question'!)

My question is: we have divergent rates of inflation and, of course, the value of the Irish pound, in spite of its divergent rate of inflation, has not changed. Will the Commission tell us if it proposes to give any advice to the member countries of the European Economic Community and if it proposes to assist them with bringing about a realistic realignment of the currencies in the EMS that will reflect the divergent performances of the different economies in the Community since the EMS was founded, and will they seek to correct the situation?

Mr Ortoli. — (FR) I consider it impossible during Question Time — and I say this very frankly — to reiterate points which can be said to be well known to all of us, namely that we have set up a system comprising a whole series of mechanisms — an exchange-rate mechanism, a mechanism for convergence of policies, indicators of divergence, procedures for readjustment

— which have not worked too badly so far. These mechanisms, as the Honourable Member is aware, form the basis of the European Monetary System. Nevertheless, we cannot do without action by the national authorities, which means that they must be able to deal with various more specific problems through the use of national instruments, namely their budgets, exchange-rate management and money supply.

President. — Question No 43 by Mr Deniau (H-660/82):

In view of the increase in trade between West Germany and Eastern Germany, which is subject to an exemption system intended to favour exclusively inter-German trade, can the Commission indicate whether there exist at present cases of fraud with regard to the origin of goods and 'deflected trade'; are not certain products in fact from other Comecon countries and is there not a tendency to re-export in the Community products from Eastern Germany?

Mr Narjes, Member of the Commission. — (DE) The Commission has no evidence at present of cases of irregular 'deflected trade' at Community level in connection with the system of inter-German trade. The Protocol on German Internal Trade and connected problems of the EEC Treaty regulates the Community aspects of inter-German trade. Paragraph 3 of that protocol provides that each Member State may take appropriate measures to prevent any difficulties arising for it from trade between another Member State and the German territories in which the Basic Law for the Federal Republic of Germany does not apply.

To date the Commission has not been notified of measures taken by any Member State to apply this safeguard clause. No doubt this is to be explained partly by the fact that inter-German trade is subject to unusually stringent controls, based on German and Allied law. The Commission has already set out the detailed control rules at length in its answer to Written Question 283/79. As a result of the special rules to which inter-German trade is subject, there are very few re-exports of GDR goods to other Member States.

Because of the substantial tax, customs and payment concessions, the German authorities check the final destination of GDR goods with particular care. Traders must repay the tax benefits granted if they re-export. The border controls are therefore supplemented effectively by domestic tax controls of the accounts of firms which take part in inter-German trade.

Besides, potential re-export deals are complicated by a system of permits and price controls. In addition, there are directions as to the use of some goods. As you

Narjes

know, inter-German trade is restricted exclusively to goods from the two German states.

As regards possible imports from other Comecon countries via the GDR, it should be noted that the regulation of 9 June 1951 on the control of inter-zonal trade formally obliges the customs authorities to check compliance with the formal and material rules of inter-German trade in the case of supplies from the GDR. *De facto* the Federal authorities apply Community legislation on the origin of goods, and in particular Regulation 802/68 by analogy. The production of certificates of origin may also be required. As for the numerical effects of inter-German trade on trade within the Community, may I point out that in recent years about 1% of goods imported into the Federal Republic was re-exported from there to other Member States, e.g. in 1981 that accounted for 0.04% of the value of the Federal Republic's total exports to the other Member States.

(Mr Megahy asked for the floor)

Mr Deniau (DEP). — (FR) I have the impression that I am in the same situation as that in which our Dutch colleague, Mr Vredeling, found himself during the 1970s when he put questions on inter-German trade to the Commission. On each occasion he was told first that they had no knowledge of any deflections of trade and secondly that they had no knowledge of measures adopted by Member States in this field under the protocol of 25 March 1957. By this I mean that I rather have the impression that when Mr Jobert, the French Minister for External Trade, told the French Parliament's committee on foreign affairs last year that this was a taboo subject which should never be brought up before either the Council or the Commission, he was not entirely wrong. In fact, what has just been described by the Commissioner is a theoretical situation. In practice we do not know exactly what is going on and, whereas we concern ourselves year after year with lamb and butter from New Zealand, we do not discuss agricultural produce coming from the German Democratic Republic.

I therefore ask the Commissioner the following question: does not the Commission consider it necessary to clarify the legal situation, since it would seem — and I have the document to hand — that the Government of the Federal Republic of Germany is at odds with the other Member States of the Community in its understanding of the implications of the protocol of 25 March 1957, the principle of which is not at issue (I do not propose to discuss the principle of inter-German free trade, but only its impact on the other Member States), if we are to judge from the interpretation given by Mr Rush, the representative of the German Ministry of Economic Affairs who said in his opinion goods purchased from the GDR enjoyed the benefit of free movement within the European Economic Community?

(The President urged the speaker to put his question)

I am calling for an examination to be made of the various Member States' interpretations of the legal position. I should also like an examination to be made of the manner in which re-exported products, agricultural products in particular, are monitored in practice. I have to hand a French document which states that it is absolutely impossible to obtain information on West German re-exports of products imported from East Germany, completely free from customs duties, taxes, agricultural levies, refunds and VAT. I therefore ask the Commissioner to reply on this point and to make arrangements for an examination of the conditions under which agricultural products from East Germany are re-exported to other Member States. Mr President, these are two very clear-cut and interrelated points.

Mr Megahy (S). — When I first put my hand up, I intended to raise one point of order, but after having heard the previous speaker I want to raise two.

The point of order I was going to raise concerns Rule 44(7) which says that the procedure for the conduct of Question Time should be governed by guidelines and I read, in No 7 of the Guidelines, that the institution concerned shall ensure that answers are concise and relevant to the subject of the question. I must apologize for not being here all the time, but it seemed a very lengthy answer indeed from the representative of the Commission.

We are given other opportunities here to have debates and I wonder if you would look into this. This was compounded, in my view, by the minispeech made in reply by the Member, so I am not putting all the blame on the Commission. But it is extraordinary that in Question Time to the Council the other day, I think we only managed to cover something like four or five questions in an hour. It is getting like this with the Commission, so I wish you would look at both questions — that is, the length of the answers from the institutions, which should be short and sharp, and the speeches that are made by Members when they ought to be asking questions. Then perhaps we could get through the business more quickly. As it is, Members just are not turning up because of what is going on.

President. — I hope that all those who are going to answer the questions and all who put supplementary questions will heed your remarks, Mr Megahy.

Mr Narjes. — (DE) First I will reply to the procedural point that the Commission's answer must needs be relevant to the question. The author of the question made the remark that in spite of my lengthy statement I had not given a full answer. I am not aware, however, of having violated the principle of short and sharp answers, which I too believe in.

One of the supplementary questions was whether there exist at present cases of fraud, and I denied this.

Narjes

I am not quite clear to what lack of clarity in the legal situation the author of the question is referring. The figures, at least, which are our primary concern here, cannot be disputed. The Federal German Statistical Office publishes monthly and yearly detailed figures on the scale and value of inter-German trade. They come to some forty pages a month. Twice a year regularly these publications are forwarded to the Statistical Office of the European Communities and to the Council of Ministers, who also publish them.

As for controls, may I say that under inter-German law all supply and procurement transactions between the two German states are subject to authorization. Any violation of the prohibitions is liable to a penalty of five years in prison. General authorizations cover certain goods. In such cases, all transactions must be notified to the responsible offices no later than sixteen days after the contract has been signed. All other transactions require a specific authorization. I do not want to go into detail here, but in the industrial sector, 36% of effective purchases are subject to quotas. In agriculture the figure is 88.6%; that means virtually the entire sector is subject to quotas.

Mr Sieglerschmidt (S). — (DE) Is the Commission aware that this Parliament has repeatedly considered the question of inter-German trade and, as I recall, last did so some four years ago in a detailed report which was unanimously approved and adopted by Parliament whether at the time? May I also ask the Commission by any chance — I am being very careful here — anything has changed in this respect since that detailed report and whether it would not have been better if the author of the question had begun by perusing this report carefully, before putting further questions?

Mr Narjes. — (DE) In referring to Written Question 283/79 I was drawing attention specifically to that last detailed report by this House. The Commission is not aware that any major changes have occurred since then which would require a new edition of this report or a renewed debate.

Sir Fred Warner (ED). — Would the Commissioner welcome evidence of fraud? If so, I will endeavour to supply it because I get many complaints.

Mr Narjes. — (DE) I would be very grateful for such evidence.

Mr Antoniozzi (PPE). — (IT) Can the Commission guarantee that there is a mechanism to prevent products coming from other countries in the Comecon from being artificially re-exported? I have also heard it said that there is a great deal of fraud on these lines. What is this autonomous control mechanism?

Mr Narjes. — (DE) The control mechanisms to which I referred are designed to ensure this. A few criminal actions have been brought in recent years, which showed that if duly applied, these control mechanisms certainly work and that infringements are possible only in the case of criminal fraudulent acts and circumstances — but such cases have remained rare.

President. — As the authors are absent, Questions Nos 44 and 45 will be answered in writing¹.

Question No 46 by Mr Israël, which is being taken over by Mr Paulhan (H-702/82):

Can the Commission explain what, in its opinion, are the objective reasons preventing the United Kingdom from joining the European Monetary System?

Mr Ortoli, Vice-President of the Commission. — (FR) The United Kingdom takes part in the Community's general procedures for economic and monetary co-operation, so that in this sense it is wrong to say that it is outside the European Monetary System. Moreover, it has deposited 20% of its gold and dollar reserves with the European Monetary Co-operation Fund. Nevertheless, it is not party to our exchange-rate mechanism. Among this Member State's reasons for delaying its decision to join the exchange-rate mechanism, there is the idea that sterling's status as an oil currency makes it ill-suited to a system of semi-fixed exchange rates, since oil price variations have different effects on the exchange rate of the pound and those of the other currencies.

From the Commission's standpoint this argument has some merit but is not entirely convincing. We also regard the need to strengthen the European Monetary System as an essential requirement. We therefore believe that sterling's full and unqualified participation in the EMS would be beneficial to the Community and to the United Kingdom. This has been our consistent position, which was reaffirmed very recently by President Thorn in his speech outlining our programme.

Mr Paulhan (DEP). — (FR) Does the Commissioner consider that the relative weakness of sterling at its present level might be conducive to its joining the EMS exchange-rate mechanism, this for the greater good of Her Majesty's Government?

Mr Ortoli. — (FR) The real question is whether sterling is going to join the European Monetary System and whether we believe that it is in the interests of the United Kingdom and the Community for it to do so. I have given my answer on this point. When the auspicious day comes, we shall have to fix a rate compatible

¹ See Annex II.

Ortoli

with the economic position at the time of both the pound and the other currencies; I hope that we shall settle on an appropriate rate.

Mr Albers (S). — (NL) Mr President, perhaps you were right in not giving me the floor just there because someone from my group had already spoken. But did you have it in writing beforehand that Mr Israël's question has been taken over by his colleague? If not, then this question should not have been taken in this sitting.

President. — The question has been taken over by Mr Paulhan. The author of a question can ask somebody else to take over his question.

With regard to Mr Albers' remarks on the Rules of Procedure, I should like to draw the attention of the House to Annex I, paragraph 9, of the Rules of Procedure which lays down that a question may be answered only if the questioner is present or has notified the President in writing, before Question Time begins, of the name of his substitute. The President was so informed that Mr Paulhan was taking over Mr Israël's question.

Mr Seligman (ED). — I was very interested in the Commissioner's answer about Britain's being an oil currency and that a collapse, therefore, in oil prices would make the pound unacceptably weak and hinder joining the EMS.

Does the Commission propose to recommend any joint action to prevent an oil price collapse which would otherwise delay Britain's ability to join the EMS?

Mr Ortoli. — (FR) Mr Davignon is smilingly advising me to answer yes. We are doing everything possible on the oil side to prevent any undue delay in sterling's joining the system! Unfortunately, we do not have full control of developments in the oil market.

Mr Clinton (PPE). — At the time we joined the EMS in 1979, the hope and expectation was that the UK would join the EMS within one year. What I would like to ask Commissioner Ortoli is whether there is any hope or expectation of an early decision on the part of Britain to join the EMS at present. Also, is there any ongoing pressure or influence being used on the United Kingdom to try to persuade them to join the EMS and become Europeans the same as the rest of us?

Mr Ortoli. — (FR) Mr Clinton's words did not contain a question. As for us, our position is clear and we have stated it here in this House and in the other insti-

tutions of the Community whenever the occasion has demanded.

President. — As the author is absent, Question No 47 will be answered in writing.¹

Question No 48 by Mrs Dury (H-716/82):

In view of the publication of contradictory reports in the Belgian press, could the Commission state whether, following its veto delivered to the Belgian Minister for External Relations regarding the creation of 'employment zones' in Brussels (with tax concessions for a ten-year period for a certain type of undertaking), it has in fact forwarded an opinion to the Belgian government stating that it would accept the creation of employment zones and would give case-by-case consideration to undertakings wishing to establish their activities in such areas?

Mr Andriessen, Member of the Commission. — (NL) The Commission informed the Belgian government in a letter of 3 January 1983 that it has no major objections to the creation of 'employment zones' in Belgium to which the Honourable Member refers in her question. But the Belgian government is bound, by this Commission decision, to ask the Commission for prior agreement to the definitive designation of these zones. The Commission made it clear to the Belgian government that such zones could only be designated in areas with serious regional problems and that therefore the designation of such zones must comply with the Commission's recent decision on zones in Belgium eligible for regional aid. The Commission thus indicated clearly that Brussels in its opinion does not fulfil this requirement.

The Commission does not have to be asked for prior authorisation by firms wishing to settle in these zones. These zones must meet the conditions laid down in the Commission's decision on settlement in these zones, including firms of less than 200 employees and in sectors with advanced technological production processes.

Finally the Commission will supervise adherence to this decision by means of an annual detailed report which the Belgian government is obliged to make and which it has agreed to do.

Mrs Dury (S). — (FR) You say in your reply that anywhere already defined as a region entitled to Community aid would be accepted by you as an employment zone. Some regions in Belgium are facing very serious employment problems; the Brussels region, for instance, has lost as many jobs as a Belgian steel-mak-

¹ See Annex II.

Dury

ing region. In fact 50 000 manufacturing jobs have been lost.

I should like to ask whether the criteria you apply in accepting employment zones take account of developments in the employment situation over the past fifteen years, since if this were the case Brussels, which is outside the development zones, could also be regarded as a zone where such enterprises could be set up. I would nevertheless add that the definition of employment zones sounds rather as though companies are being given a free hand to create a certain type of job. Apart from the criteria that you have quoted, do you not apply any others which are more concerned with social aspects rather than the mere fact of being a small business using advanced technology?

Mr Andriessen. — (NL) I do not deny that even in Brussels the employment situation over the past few years has not developed satisfactorily. But that situation is not peculiar to Brussels. The whole of the Community has experienced a rise in unemployment in the past few years. The question is when, and in what circumstances can certain areas be designated as areas with specific problems such as justify specific measures, in accordance with the Treaty. In fact the Belgian government has never proposed Brussels as such to the Commission. I also know that the Commission would never have agreed to such a proposal on the basis of criteria arising from a Community assessment of the EEC regional policy. Therefore the Commission considers that the specific measures proposed by the Belgian government could not apply to Brussels.

May I point out, Mr President, that one thing must be clearly understood in the conditions laid down by the Commission on these 'employment zones'. They must be situated in areas approved by the regional policy — point one — and there can be no accumulation with other aids — point two. That means that if 'employment zones' are designated in regional development areas, then these zones may only receive the specific aid for employment zones, in other words exemption from corporation tax for ten years and, I hope I have it right, exemption from the advance levy on real property, but that no other subsidy can be granted to these firms. Furthermore emphasis is put on the small and medium-sized firms, with no more than 200 employees. The moment a firm oversteps the 200 limit it drops the special status of employment zone.

This experiment is to last for three years and we must wait and see whether it achieves the anticipated results and what effect it has on competition in the Community. It is clear that designating these zones in the centre of the Community is something quite exceptional, which is why the Commission has laid down clear-cut conditions and will follow developments very closely.

Mr Patterson (ED). — I hope the Commission is aware that its action in the case of Brussels has been

received with a certain amount of alarm in other countries, notably the United Kingdom where similar zones — not employment zones, but enterprise zones — are being set up. I had one in my own constituency of Medway in Kent which I suppose is also a central area of the Community. Can the Commissioner assure us that the enterprise zones, which are proposed, and indeed in some cases are in action in the United Kingdom, are in no way in conflict with the Treaty and that there will be no attempt by the Commission to put a stop to them?

Mr Andriessen. — (NL) The Commission's approval of similar zones in the United Kingdom preceded its decision on Belgium. The conditions applicable to Belgium differ from those for the United Kingdom. The systems cannot easily be compared since, insofar as I am informed, the United Kingdom although concentrating on aid through certain tax exemptions, nonetheless operates mainly through non-enforcement or at least more flexible enforcement of certain provisions which must otherwise be respected. The Commission felt that the British zones were not incompatible with the Treaty and therefore approved them. Incidentally we are watching developments in these zones just as closely as in Belgium.

Do not ask me whether I am madly keen on these developments, that is beside the point. The point is whether the Commission under the Treaty has the authority to reject such proposals from the Member States. The Commission felt that that was not the case in either the British or the Belgian situation after important changes were made there at the former's request.

Mrs Lizin (S). — (FR) First of all I should like to draw attention to an important point established by Mr Andriessen when he said that he would be ensuring that the arrangements for employment zones would not be allowed to affect the decision taken on development zones and that the balance obtained in favour of the Walloon region as a development zone would not be changed by this decision or this proposed employment zone with the result that the balance would be tipped back in favour of Flanders. You have said that you will be ensuring that this decision is complied with. We shall be holding you to that.

My question is as follows: in connection with the development zones, a number of arrondissements and parts of arrondissements included in the proposals submitted by the Belgian Government and regional authorities which were not accepted for inclusion, namely Tournai and Huy-Waremme. Would it be possible to consider an exceptional system under which the Commission could take action once and for all on behalf of these regions or are we going to have to continue applying the general aid schemes and notifying significant cases?

Mr Andriessen. — (NL) When the Belgian government submitted its proposal to the Commission it itself had introduced the necessary balance into the system, viz. that 150 ha for these zones would be considered in both Flanders and Wallonie. Brussels was also included but I have already answered that one. The system is now properly balanced and the Commission has laid down exactly the same conditions whether the zones are in Flanders or Wallonie. But it is up to the Belgian government and the two regions to decide whether they want to apply. That is not for the Commission. All the Commission can do is make a critical assessment of the proposals submitted by the Belgian government and check whether these designations comply with Commission policy. So much for the first point.

The second point goes much further, beyond even the scope of this question, it seems to me. With your permission I shall comment briefly. The Commission evaluated the Belgian proposal for regional policy and found a number of elements which it considered incompatible with the Commission policy. That is why the Commission could not approve a number of zones proposed by the Belgian government as regional aid zones. That plan has now been accepted for a specific period. That remains as it is unless the Commission has itself taken up specific time limits in its approval. For some areas a certain transitional period has been included in the plan. A general exception to the general rule, as requested by the Honourable Member, is incompatible with the Commission policy and therefore cannot be admitted.

Mr Antoniazzi (PPE). — (IT) The idea of setting up 'employment zones' enjoying special facilities is certainly very interesting. Does not the Commission consider that this initiative could constitute a valid, useful precedent, to be harmonized with the philosophy and regulations of the Regional Fund and Social Fund, with reference to Southern Italy, the United Kingdom, Ireland, and so on?

Mr Andriessen. — (NL) The Commission certainly does not consider at the moment that establishing such zones should be an interesting precedent to be followed throughout the Community. And why not? For the very simple reason that it is extremely difficult to decide how much aid such a zone should receive. One main problem the Commission had to solve in evaluating this application was the fact that it was extremely difficult to decide how the aid on tax exemption over ten years was to be calculated in the future. That is no simple matter.

I am not madly enthusiastic about this system in itself. I like certain elements in it. I think it would help industry in the Community if exemptions, i.e. non-enforcement or enforcement in a different way of government rules, could be made in other sectors or

areas of the Community, without of course harming other vital interests. But that is a matter of direct responsibility of the Member States.

Compatibility with the Regional Fund is guaranteed, in my opinion, in that aid zones are situated only in areas covered by a regional development policy and in that the Commission closely coordinates the designation of these areas with the regional policy in line with the Regional Fund of the Community.

President. — As its author is absent, Question No 49 will be answered in writing.¹

Question No 50 by Sir Fred Warner (H-796/82):

Would the Commission say what action it is taking to reverse the illegal decision of the French Government to permit the shooting of thrushes during their breeding season up to 21 March, contrary to the EEC Directive on the Conservation of Wild Birds?

Mr Narjes, Member of the Commission. — (DE) According to a recent press report, the French Ministry of the Environment has decided not to extend the thrush shooting season. The Commission therefore believes that there are no problems as regards this species of bird in France at this time.

For pursuant to Article 7(3) of Directive 409/79 on the Conservation of Wild Birds, certain thrushes may in fact be shot in France.

However, under Article 7(4), the Member States must prohibit the shooting of bird species during the nesting season and the specific hatching and breeding seasons. If a Member State decrees legal rules which do not comply with this directive, the Commission will take all the necessary steps, including measures prescribed by the Court of Justice pursuant to Article 186 of the EEC Treaty, to ensure compliance with Community law. Of course the supervision of the implementation of this directive suffers from the lack of staff familiar also to this House, for otherwise it could be done even more efficiently.

Sir Fred Warner (ED). — Has the Commissioner been receiving the requisite annual report from all those who have adhered to these rules, and is he satisfied with these annual reports?

Mr Narjes. — (DE) The Commission is only partly satisfied with reports. On their basis it has instituted formal proceedings in four cases and in a further case informed itself on the spot of the progress made in the

¹ See Annex II.

Narjes

implementation of this directive by approaching the government which did not forward such a report.

Mr Gontikas (PPE). — (GR) I would like to ask the Commissioner whether, in addition to the measures referred to in the directive, the Commission has taken any specific measures for the economic support of bird sanctuaries, and which of these measures relates specifically to Greece?

Mr Narjes. — (DE) I have not quite understood the question; we are talking here about bird conservation and not about the economic development of Greece. I do not know whether this misunderstanding was due merely to an inadequate translation.

Mr Gontikas (PPE). — (GR) My question was whether, apart from the measures referred to by the Commissioner, the Commission envisages any economic support of the Member States for the creation of bird sanctuaries? And if so, then what has the Commission done for Greece in this connection?

Mr Narjes. — (DE) When I said in my reply to Sir Fred Warner's supplementary question that we were not satisfied and had sought information on the spot, this did indeed relate to the Greek situation. The Commission is still considering how to ensure that this bird conservation directive is implemented efficiently in Greece.

Mrs Poirier (COM). — (FR) Does not the Commissioner think that it should be explained to Sir Fred Warner that he is confusing the reproduction season and the migration season, which are two quite different things? I wonder whether this ignorance is entirely innocent. Should he not be informed that shooting has been regulated in France for very many years and that neither the Government nor the shooting fraternity has ever made any move to allow shooting during the mating, nesting and reproduction season.

Are you also aware that the French Minister for the Environment has recently released funds to finance a count of the bird population, with particular reference to thrushes, but that at present there is no evidence to suggest that the numbers are declining? A final question: would you permit me, Commissioner, to point out that Mr Gundelach in his day confirmed to me in his reply to a written question that the conditions under which shooting was allowed were, and I quote: 'strictly the province of the Member States and their regional institutions'. This is also what the treaties say. Is this still the Commission's interpretation?

Mr Narjes. — (DE) I think my answer to the honourable Member's first question was that the French Min-

istry of the Environment has published the decision not to extend the shooting season for thrushes, thereby responding to these concerns.

As regards the earlier answer by my late colleague Mr Gundelach, I do not know precisely when it was given. If it dates from before 1979, a different legal situation prevailed then.

In fact, following the 1979 directive which entered into force in April 1981, a new legal situation has arisen in which, pursuant to Directive 409/79, Member States must bring their national measures into line with the Community directive.

Mr Muntingh (S). — (NL) Is the Commission aware that in certain parts of France, especially Southern France, the police are ignorant of the existence of a bird directive, and can the Commissioner tell me whether it is true that certain prefects refuse to pass on information to the police which must enforce the law? This means in fact that it is practically impossible to implement the bird directive in certain parts of France simply because the information is not transmitted to the relevant officials.

Mr Narjes. — (DE) I would be very grateful to Mr Muntingh if he could quote me specific cases. I would then be prepared immediately to speak with the French Minister of the Environment about these cases.

President. — Question No 51 by Mr Rogalla, which has been taken over by Mr Rieger (H-509/82):

What data does the Commission have on coal production in the Member States in 1982, and how does it assess the trend by comparison with production in the past ten years?

Mr Davignon, Vice-President of the Commission. — (FR) The Commission has very satisfactory facilities for statistical documentation of coal output in the Community. For 1982 we already have full information on the volume of output, estimates of stocks held by producers, personnel and productivity levels of the various producers; these data come to hand month by month, so that it is possible to monitor the trend, which can also be calculated on an area basis.

We do of course know the amounts of aid granted. If I may take this question as an opportunity to give a rapid outline of the trend over, let us say, the past ten years, we find that there was at first a substantial reduction between 1972 and 1976, followed by stabilization in 1976, and that the mines are still experiencing difficulties in adjusting their productive capacity in line with market developments. This explains why output was only very slightly lower — by roughly 0.7% — in 1982 than in 1981, while there was a very sub-

Davignon

stantial increase in stocks despite a small increase, of about 1%, in consumption.

Mr President, that is all that I can say in response to a rather general question.

Mr Rieger (S). — (DE) Thank you for the answer to the question, Mr Commissioner. You also referred briefly to Community aid. Would you please indicate whether the Commission is aware of the scale of such aid for coal production in the Community, either overall in absolute figures or per tonne of coal produced, and whether the share of Community financial aid involved has risen or fallen in the last ten years.

Mr Davignon. — (FR) On the final part of the question, it is quite clear that the amounts of aid went up over the period from 1976 to 1982. Secondly, it is possible to calculate the total amount of aid granted to coal in each Member State. It is more difficult to give accurate averages because, as the Honourable Member will be aware, the situation varies from one pit to another, even within a single country or a single area. It would therefore be wrong to quote an average subsidy per tonne since, in the communication on coal that we prepared last year, we classified collieries according to whether they were fully competitive internationally — not merely within the Community — or in difficulties. However, all these data are available and I should be pleased to forward them to the Honourable Member if he wishes. They are to be found in various publications, but it would be simpler to bring them together in a single document. I shall make them available to him, and to the Committee on Energy, so that it will have a reference document.

Mr Purvis (ED). — May I ask the Commissioner whether the Commission is considering revising its estimates of coal requirements for the years 1990 and 2000 and dividing them between indigenous and imported sources? What investment requirements are likely to be needed in order to meet the infrastructural base for this supply?

Mr Davignon. — (FR) It is only to be expected that the Commission should now be engaged in preparing estimates of energy requirements not only to 1990 but up to the year 2000. It is in the nature of things, bearing in mind the lean times associated with capital expenditure projects.

Secondly, our analysis is not confined to coal, but is concerned with overall energy requirements in the Community. In the case of coal, the questions to be resolved are the extent to which we will manage to encourage its use and the policy to be pursued in this respect.

It is absolutely clear that the current conditions on the oil market are having the effect of depressing rather

than encouraging consumption of coal. I accordingly believe that we must begin by making a study of the use of coal, that is a study of the coal market in the Community. It will not be until the second phase that we shall be in a position to assess the balance between Community production and imports, in the light of the various criteria, which take more than absolute competitiveness into account. This is a matter in which psychological or subjective assessment counts for as much as objective factors.

Mr Gontikas (PPE). — (GR) Mr President, I do not have a specific question to put to the Commissioner. I just wanted to ask that Question No 54 be held over until the next part-session.

President. — Mr Gontikas, your wishes will be met.

Question Time is closed.¹

10. *Agriculture in the Highlands and Islands of Scotland* (continued)

President. — The next item is the continuation of the Provan report (Doc. 1-1177/82).

Mr Provan (ED), rapporteur. — Mr President, it gives me great pleasure to come forward this afternoon with a report on the development of agriculture in the Highlands and Islands of Scotland and the current situation there which received unanimous support in the Committee on Agriculture. Not only that, but I am glad to say that the report has been well received within the area concerned, namely in the Highlands and Islands themselves. It is interesting that the Scottish National Farmers Union and the Highland Regional Council and the Islands Councils concerned are very supportive of the measures before Parliament this afternoon.

Not only that, but the Highlands and Islands Development Board and the Scottish Consumers Council have expressed their support for the measures proposed. I think it bodes well, therefore, for the future of the Highlands and Islands that there is such a measure of agreement by the people concerned who are supporting what Parliament is trying to do to assist them.

If we look back at the guidelines for the common agricultural policy, we discover that they, in fact, mentioned a specific part of structural policy. They said that the Council had paid particular attention to socio-structural policy and had agreed to pursue and intensify the drive to improve structures, but concen-

¹ See Annex II.

Provan

trating the available resources where the need is greatest: deficient farms and the less-favoured areas.

I hope to show this afternoon, Mr President, that the Highlands and Islands of Scotland, whilst being some of the most lovely areas within the Community, also have some of the greatest disadvantages.

Other people have looked at the problem, and the House of Lords in a very interesting report is very supportive of the general idea of special assistance being given to this area, as is also a Select Committee on Agriculture of the House of Commons in Great Britain. I think it is also important for Parliament to realize, Mr President, that in a study on the regional impact of the common agricultural policy the Commission itself realizes that the impact of this policy, rather than helping the peripheral areas of the Community, has, in fact, almost been working to their disadvantage.

I hope today that the European Parliament can and will support the measures I have suggested in this report which, as I say, have received the unanimous support of the Committee on Agriculture.

The problem with Scotland is that, whilst it is probably the most beautiful part of the European Community, with its imposing and majestic hills, its beautiful and lovely lochs, people in that area have to face reality, and the grave reality is that gross annual value of production is one of the lowest per hectare in the Community. This region also has the lowest output per labour unit in the Community. So the regional impact of the common agricultural policy has not assisted this poor region. In fact, we are a region with relatively declining growth at this stage, and that cannot be of any assistance in looking at the common agricultural policy.

Earning a living, therefore, and maintaining the local economy is difficult. More difficult than elsewhere in the Community because of a combination of factors, and one of those, of course, is the extremely harsh climate.

But there is also, as a consequence of that, a limited range of products that can be produced in that area and a strict limit on the production of food that can be provided within that area for the animals that can be supported in the summertime. So the climate and altitude of the area, and particularly the extremely high rainfall, are some of the most limiting factors. I do not know whether it is generally realized that in this area one can get as much as 200 cms of rain, and that is not an uncommon occurrence. That, of course, results in very poor acid soils and there is a constant leeching by the rain of the lime, thereby adding to the poorness of the soil. This means a lack of nutrients for the animals, and one has to have a very special type of animal — a hardy type of livestock — that takes a much longer

time to fatten and, therefore, is not so profitable. It is a very extensive type of farming system therefore.

A development programme need not mean an increase in input. What we seek to do is to stabilize a difficult situation so that we can maintain a rural population, a rural infrastructure and indeed, Mr President, a rural economy at all.

The promotion of agricultural efficiency through the common agricultural policy has contributed to the rundown of agriculture in this area. The price mechanism has forced production up whilst, at the same time, causing employment to decline. Increasing efficiency means less employment in agriculture.

The structural measures of the CAP — the farm and horticultural development scheme — have offered opportunities for modernization of farms, but again by increasing efficiency it has created less employment.

All these objectives are, of course, laudable, but they have meant a reduced number of people to use and create demand within the rural region. This has meant a loss of local services. Whilst gaining efficiency, ladies and gentlemen, we have lost people. Whilst gaining efficiency we have lost the heart and soul of the region.

There is no doubt that agriculture is and must remain the main economic power and earning industry in the region. There is no doubt also that we have depended for too long on agriculture alone to provide and generate for the whole rural economy. The Highlands and Islands are a severely disadvantaged area. To stabilize the agricultural sector we have to offset the disadvantages to some extent. This report suggests what the Committee on Agriculture — and I hope Parliament can agree — regards as necessary to rectify the situation.

If I tell you that the index of agricultural income in the area in 1970 was 100, it rose slightly after that to about 132, but the present level is down to 29.5% of what it was in 1975. There are not many other areas of the Community that have to suffer that sort of problem. I suggest that what is needed is an immediate answer to the income problem of these farmers and a longer-term package. Now these are set out, Mr President, in the report itself, and paragraphs 8, 9 and 10 really sum up what I am talking about here. To have an immediate impact we have got to increase the income of farmers by helping them through the less favoured area directives and by increasing the amount of cash that they can get for suckler cows and hill ewes and that type of thing.

Now one of the other major problems, of course, is transport, because we are talking about a very scattered area with a very low population indeed. In fact, the population is 9 people per square kilometre, as against, for instance, the least densely populated area

Provan

of Italy, which has 62 people per square kilometre. I think that is a staggering figure. We have got to realize that these people have a problem, which is caused to a great extent by the extensiveness of the area and by the transport costs that they have to face today.

In facing up to transport problems. I believe that we have got to try to improve the transport infrastructure. The Community's transport policy appears to attach no special importance to the transport needs of rural areas. Therefore I request in the report that there be a Community-financed road equivalent tariff to try to assist the islanders. There are about 500 islands off the coast of Scotland, not all of them populated, of course. For these 500 islands the added cost of having to put services onto a ship and take those services off at the other end again is quite steep, as far as the island communities are concerned. Therefore I believe that it is right and just for the farmers in those areas that they have some form of road equivalent tariff. This would have a spin-off effect for tourism and the rural economy as a whole.

The people in the area themselves have got to do something to assist, and I believe that they can do so if they are given encouragement in marketing skills and the attraction of marketing skills to the area and in the development of a proper management team to assist in marketing the livestock that they have for sale. But it need not necessarily always be done by grants from the Community. The Commission ought to look properly at the development of the rural areas and especially the severely disadvantaged ones. Some form of tax incentives might well be just as acceptable and successful in providing help as anything else.

Before I finish, Mr President, I must say something about the environment. I believe that integration of agricultural development with conservation is not and need not be an insoluble problem. I believe the two can live together very happily. Farming and the needs of conservation are not mutually exclusive. They can live together and they must live together. The problem at the present time is that under the EAGGF there is no special allocation to take care of the environmental provisions that should perhaps be available. I would therefore advocate that a special report be drawn up by Parliament to look into these problems, and I think a debate is needed on it.

This afternoon, Mr President, I urge Parliament to adopt this report that will, I hope, put new heart into the Highland area and give the Community a human face in those difficult, albeit beautiful, areas.

IN THE CHAIR: MR KLEPSCH

Vice-President

Mr Tugendhat, *Vice-President of the Commission*. — Mr President, as Mr Provan knows, I am speaking in

place of Mr Dalsager, but I would like to say to him that I and my cabinet have studied the report's observations and suggestions with a keen interest because, clearly, it is of importance to the region from which he comes.

The report is also particularly relevant, coming at a time when the Commission is working on adjustments to the policy on the structure of agriculture which it hopes to lay before Parliament and Council by the end of the year. I note that the report deals not only with the Scottish Highlands and Islands but also with the Community's other problem regions. Things are undoubtedly extremely tough for them, not just for the Highlands and Islands but for the others as well. I feel that the report will be of assistance to us in working out ways and means of tackling their problems. We have some experience in this connection, thanks to the hard work put in around 1974 when the Commission submitted the proposal for the directive on hill farming and agriculture in certain less favoured areas and to the specific programmes since then for the worst-off regions in Ireland, Italy and Greece.

Given that the report's approach and the Commission's are the same in this respect, probably the best course is not to aim at special arrangements for the Highlands and Islands but to tackle the problems of the poorer farming regions on a comprehensive basis in the context of the intended recasting of the policy on agricultural structures. There is, however, one other consideration that must not be overlooked. This concerns the degree of interest in the United Kingdom for a programme of the type suggested by Mr Provan. We have not found that there has been a great interest in such a programme in the United Kingdom, and I think it is important to bear that in mind. On the basis of the information available to the Commission, such a programme would not be considered as warranting priority, and a proposal launched under these conditions would probably lead to much wasted time rather than to policy improvements.

I hope, Mr President, that I have made clear the Commission's views on this matter. I think the evidence of a lack of interest is something which needs to be borne in mind, but no doubt Mr Provan, representing as he does a constituency in the United Kingdom, will be able to take up those matters with the appropriate authorities.

Miss Quin (S). — Mr President, I have been asked to say just a few words on behalf of the Socialist Group in support of the report by Mr Provan.

We welcome it as showing a very useful way in which the European agricultural structural funds can be employed. All too often in the past these funds seem to have been used indiscriminately without paying attention to the needs of particular regions. We feel that there is a very great need to identify areas such as this

Quin

with real agricultural problems, define the nature of those problems and then seek to provide effective help for them. It is important to inject such money as we have where it is needed.

I am glad that the report, although it refers to an agricultural development programme, also lays great stress on the links with other aspects of the economy, whether it is tourism, forestry or fishing. I hope that the British Government, for its part, will back up the scheme with some enthusiasm and that the money made available will be of clear and extra benefit to the area concerned.

I am glad, too, that the environment aspects have not been overlooked and I welcome the opinion given by the Committee on the Environment, Public Health and Consumer Protection. We are talking about areas of great natural beauty, and they do need to be kept in such a way that they are attractive both for the inhabitants and for those who will go there as tourists. In the report there is some talk of forestry schemes, but fortunately there seems to be an emphasis on smaller schemes and schemes that will fit in with the existing landscape, rather than the huge monolithic and unattractive plantations which have sometimes disfigured the landscape rather than improved it.

May I conclude by saying that we in the Socialist Group wish this project well and will watch with considerable interest the progress of its implementation.

Mr Clinton (PPE). — This, Mr President, is an excellent report, and let me say that a better case could not have been made for an EEC assisted agricultural development programme. We could not have been given a more vivid description of the type of terrain we are talking about, the extent of the disadvantages being suffered in this very substantial area and the ways and means to provide the necessary assistance.

Having said this, may I also say that the Members of this House did not need a report at all to enlighten them on the conditions in the Highlands and Islands of Scotland. Some considerable time ago we had it all delivered to us in the form of an open letter, and if some of us did not read this very interesting documentation, our colleagues Mrs Ewing and Mr Provan made sure that we would meet at least some of the great people who have survived the hardships of these severely handicapped areas.

I have had the pleasure of visiting the Highlands on a number of occasions — not the Islands, I am sorry to say — but I saw these things at their best because I was fortunate enough to arrive there in fine summer weather. At the same time, even viewing the scene in the best conditions, one needs very little imagination to understand what it could be like at other times of the year.

The going is undoubtedly hard, but this area has many assets that it can call upon in an effort to bring about the improvements that are urgently needed. I am referring mainly to the vitality and enthusiasm of the various organizations and agencies already providing services in the area. Scotland, in my humble opinion, has easily the best agricultural education, research and advisory service that I have ever seen in action, and this, coupled with dedication and commitment that is quite impressive, provides the basis for literally moving mountains.

The people working in these agencies, together with the National Farmers Union of Scotland, have long since made in-depth studies as to the most effective ways of tackling the many difficult problems of these areas, and Members of the House can be assured that no further surveys are needed and no better approaches are likely to be arrived at. So do not let us waste further time or money. A reliable blue-print already exists. All that is needed is money, and we have not enough money.

The sort of money required to carry out the recommendations before us in this report is simply enormous, but that should not discourage us from going as far as we can within present constraints. Once again we are faced with the impossibility of making any serious impact on the problems of the Community while the budget is pegged at its present level.

I regret that this report, like every other report with a British input, contains criticism of the common agricultural policy, even in a report seeking support from the agricultural budget. I would like to ask if this development is acceptable to the British Government or if the British Government is anxious to press this development with the Commission. I would ask them to put forward proposals. If not, we are all wasting our time. We have at least some evidence that it is not regarded as a priority by the British Government. I would like to see somebody declaring themselves on this.

There is, of course, no prospect of making this an economic development, but there are many other justifiable reasons why it should be gone ahead with as soon as possible and to the extent that it is possible to find the necessary money to fund it.

Would Mr Provan explain to us what the road equivalent tariff means? This, to many people, conveys that they will have to pay a tariff. A tariff is a thing that you pay, you do not get a benefit. I think I know what he means, but many people do not.

The way to develop this area and the way that most return will be got is by developing forestry, fisheries and tourism. It is a grand thing to develop agriculture to the extent that that is possible, but it will never be made competitive, or anything like competitive. That

Clinton

is what I have seen with agricultural production in most other areas in the UK.

Mr Bangemann (L). — Mr President, on behalf of my group I want first of all to congratulate the rapporteur on his excellent report. We believe that it is a valuable contribution to a practical Europe, a living Europe, not concerned only with abstract things, and we support it for seven main reasons.

(1) One of the greatest dangers to the Community is the increasing gap between the poorer and richer regions, and here the Commissioner is quite right in saying that this is a general problem, but it is also a special problem for Scotland, especially for the Highlands and Islands.

(2) The common agricultural policy, for all its merits, has not overcome the disadvantages of farmers in remote regions. We must realize that the common agricultural policy is contributing to the increasing difference between richer and poorer farmers as well, not only in richer and poorer regions as such.

(3) The report recognizes the need to change the attitude that rural depopulation is inevitable and young workers are expected to leave the land for industry. With the decline of job opportunities in industry and the need, for ecological and environmental reasons, to avoid the over-mechanization of agriculture, it is imperative that young people be encouraged to stay on the land.

(4) The report recognizes the importance of one of the Highlands and Islands' greatest assets — its beauty and its scientific interest which must be protected by budgetary provision.

(5) The report calls for the development of forestry — which has long been a priority also for our colleague Mr Maher — and this shows, indeed, that some of these problems are also met with in other regions of the Community.

(6) The report mentions the importance of tourism, and here the value of helping local inhabitants, especially farmers, to provide holidays in their own homes should be stressed.

(7) There is perhaps one error of omission in the report, and that is, to my mind, too little emphasis on the importance of fishing and, in particular, no mention of the desirability to promote fish farming.

To end this speech on behalf of my group, and being a non-Irish, non-British and non-Scottish Member, I want to address myself to the Commissioner and also to the rapporteur who both happen to belong to the same party, and that party happens to be in power in Britain. We would like the British Government to support this report, not because of a peculiar situation

which is perhaps unique in the Community — we know that there are other regions in the same position that also need help. But if the Highlands and Islands are to be helped, the Community's aid must supplement and not replace the UK Government's own regional programmes.

The present British Government, whose enthusiasm for taking Community cash — our money, to use a phrase which Mrs Thatcher will understand — is not matched by any eagerness to develop the Community's role, is particularly at fault in this. The rapporteur should influence his Prime Minister, and the Commissioner should do the same, in order to help these regions.

(Applause)

Mrs Ewing (DEP). — Mr President, may I congratulate my colleague, Mr Provan, who sometimes has differences with me? I say quite sincerely that I could not have done better myself in all he said about the area I have the honour to represent.

I have a really beautiful title: Member of the European Parliament for the Highlands and Islands of Scotland. It is almost like a piece of poetry. It is a poetic place but, as has been said, you cannot really have poetry without people. At 8 or 9 people per square kilometre, we are in a situation where the human species is endangered. Agriculture is the necessary stabilizing industry. Tourism — and I agree with what Mr Bangemann said — is very important, but it is mere froth on the top, because the people have to be there to start with. We welcome tourism in the Highlands — I speak to every tourist I meet and try even to speak their languages; they are delighted with the welcome they get — but it is mere froth on top to the people who have to have a reason for being there.

Agriculture is the indigenous occupation, and the plans of various governments in Britain for planting great industries have recently been collapsing — at Invergordon, a smelter; at Corpach, a pulpmill — with hundreds and hundreds of disastrous social problems. I say to you that while we welcome anything else — small businesses, small enterprises — one must understand that without agriculture there would be no people.

May I suggest that when you go on your summer holidays, you go to the Highlands and Islands, because it is the most beautiful place. Wherever you go, it is unlikely to be a desert island; you would prefer to go to an island with people on it, would you not? Some of my islands — and I have 80, not as many as the Greeks — are under threat of losing their people. That is a European tragedy, not just a Scottish tragedy. It is something we cannot sit here and permit to happen. I was in the Greek islands recently, and our problem is similar to theirs — arid soil; they have too much sun

Ewing

and we have too little; they have too little water and we have too much — but added to our inclement weather is this depopulation. Within 50 years the population of northern Scotland has halved. That is a human tragedy. The population of northern Norway, with various things like road equivalent tariff and equalized freight charges and a university in the Arctic Circle, has doubled. So if you get the policies right you can keep the people, or even increase their desire to go to these beautiful and so-called romantic places.

I have just come from the Shetlands — one of the furthest away places. They were here lobbying all the groups in February, you many remember, along with a big delegation. The wind was blowing at 126 miles an hour, which is hurricane force. In the midst of all this animals have to be kept inside, and the cost of feed, the cost of transport, everything is at a disadvantage. They are not complaining about that; it is we, the politicians, who are complaining; we say, unless you are prepared to sit and wait for the death of my area, you will have to pass this excellent programme, for which there are precedents. There is a precedent in Western Ireland and there is a precedent now in the Mediterranean. Anyway, I suggest it is a good experiment, perhaps for Greece and similar places.

Secondly, I would like to say this to Mr Muntingh, whose amendment I agree with, except that I think the word 'equally' must be scored from the first part and that I cannot agree with recital B. I agree with Mr Muntingh, and all the bodies who have supported this programme — the quango of the Highlands and Islands Development Board and all the elected councils of the Orkneys, the Shetlands, the Highland and Strathclyde regions — have all agreed to accept Mr Muntingh's point of view.

In all Europe there is no place with a record like ours for wildlife; that is why we have so much of it. We do not shoot our birds; we keep them and watch them to make sure they are always going to be there for tomorrow — the fish in the river and so on. We do, however, suffer from coastal erosion.

Lastly, I must say this. (My group will give me extra speaking-time if I need it.) Mr Tugendhat's words absolutely shocked me. He said an extraordinary thing today — the opposite of what Mr Dalsager said to my delegation here in February. Mr Dalsager said to my delegation: 'We have done the homework. We can put forward proposals within a few weeks. We are in favour of it.' So someone in the Commission has either changed his mind or is not talking to his fellow — Commissioner — and it just will not do.

The Conservatives voted against a line in the budget, and so did other groups. That was a pity, because we need this programme now, and the failure to vote for that budgetary line meant that my second attempt was foiled.

I cannot understand the position of the British Government. Is it just that the Commission is deferring now to the British Government? Is it acting as though it were a British Commission? I have a briefing here from the British Government which says: 'In the absence of a proposal from the Commission, the government cannot comment on what the UK's position on an ADP will be.' So who is blaming who? The British Government blames the Commission and the Commission blames the British Government. I think at some point this question has to be answered.

Could my colleagues from other countries please come and see this land — and not necessarily in the summer weather, like Mr Clinton. If they do, they will see a proud people who deserve the right to continue living where they want to live, in the Highlands and Islands of Scotland.

Mr Tugendhat, Vice-President of the Commission. — Mrs Ewing, could you perhaps listen to what I have to say? You did not hear what I said. It really would be advisable for you to listen, as you quite clearly failed to do so the first time. I made it absolutely clear that the Commission is in favour of this. I am operating off Mr Dalsager's brief. You really must not make accusations of that sort. I drew attention to the fact that there are difficulties in the United Kingdom, but let me restate, so that you cannot possibly misunderstand me, that the Commission is in favour — very simple English words.

Mr Paisley (NI). — Mr President, I congratulate Mrs Ewing on her motion for a resolution and Mr Provan on his report.

It is all very well to have excellent reports, and this is an excellent report. However, if it is not going to be implemented, and implemented with the help of Her Majesty's Government, then all our deliberations and all our investigations will be in vain. I stand here today with some bitterness, because a Member of this House, Mrs Martin, prepared an excellent report on Northern Ireland, which was accepted by the Commission and adopted unanimously in this House. Yet for two years nothing has been done about it. I trust that this excellent report will have instant action taken on it and I do welcome the statement by Vice-President Tugendhat to the House just now that the Commission accepts this report.

One matter I want to stress is this. It is essential that the coordination of the various Community funds, in regard to these matters, be taken into account, but they should clearly be seen to be additional. If this is not going to be additional funding, then this report is not going to achieve anything whatsoever.

We have heard a very eloquent speech from the honourable lady. Northern Ireland, of course, has a very

Paisley

close association with the Highlands and Islands. I represent an area that has one offshore island. At the turn of the century Rathlin Island had 1 000 of a population, today it has only 100 of a population. That illustrates the drift that has taken place from these islands.

I support this report, but I look forward to seeing action taken on it, especially by Her Majesty's Government.

Mr Muntingh (S). — (NL) Mr President, I may speak for longer than four minutes, but that is allowed because my Socialist colleague did not use all her speaking time.

First of all, Mr President, I want to say that the eloquent way in which Mr Provan and Mrs Ewing have outlined the situation in the Highlands and Islands of Scotland goes to my heart too. I have been in that area and I can agree completely with what they both said. Furthermore, I want to congratulate Mr Provan on his excellent report. I think it is a very well-documented report and I can totally support it.

Both speakers have described the natural landscape in Scotland as fantastic. That is why the Committee on the Environment, Public Health and Consumer Protection of this Parliament has debated very intensively this motion for a resolution and Mr Provan's report. We are of the opinion that something should certainly be done for the poverty of the people in the Highlands and Islands of Scotland, but we are very much aware that one of the main threats to the natural environment in Europe is agriculture.

We can see it everywhere. In Greece there are large areas reclaimed and the most beautiful wetlands are gone. With Community aid large areas in Ireland have been drained, very much to the detriment of the natural environment. In my country, in Holland, for example, the main threat for the environment is agriculture. Being aware of this fact, we in the Committee on the Environment, Public Health and Consumer Protection have asked that future regional development programmes designed to improve agriculture should be carried out in such a way that at least a minimum of responsibility will be taken for the environment. That is the reason why my committee has tabled some amendments.

We do have one remark to make on Mr Provan's report. If you read the resolution, which is a very long one, you find only two very meagre paragraphs on the natural environment. I do not think that is enough. After all, he told us himself here that the natural environment in Scotland is of paramount importance. That is the reason why we tabled some amendments.

Another point I want to stress is this. Mr Provan has said that if measures are taken to preserve the environ-

ment in Scotland, that should be done out of the Community's environmental fund. May I tell you that at this moment virtually no environmental fund exists. There is a very small amount of money which we can use for environmental purposes in the European Community. My committee feels that if there is a major threat to the environment — in this case it could be agriculture, I do not say it is so — then agriculture too should pay to prevent agriculture doing any harm to certain areas.

We are of the opinion that we should take care of the environment and that the money to do so should come out of the EAGGF fund. That was, by the way, approved by this Parliament when we had the budget procedure. Parliament voted for a resolution saying that under the drainage scheme in Ireland money should be taken out of agricultural funds for the purpose of preserving the environment.

The Committee on the Environment, Public Health and Consumer Protection is very much aware of the problems of the Highlands and Islands of Scotland and we are certainly willing to support completely both Mrs Ewing and Mr Provan. But we ask, and we ask very strongly, that there should be safeguards for the environment in Scotland, for the benefit of the people there and of the European environment.

Mr Protopapadakis (PPE) — (GR) I have asked to speak, so that I may raise a voice of solidarity with the disadvantaged areas in Scotland and in particular the islands. A voice that comes from the opposite end of the Community, from the Greek islands of the Aegean. It is in the Community's interests to support the courage of the inhabitants of those islands, who are keeping those beautiful parts of our Earth alive. Let us not be put off by the fact that the proposed programmes are costly. Any and all activity on small islands is costly, and even the cost of living is higher there than elsewhere.

Just as valuable, however, is the political and cultural gain that the Community will derive from these programmes, such as the one proposed in this instance for Scotland and the Mediterranean programmes proposed for our own islands. The life, civilization and environment that we find on these islands are things that all Europeans have come to know and love. Let us keep all this alive. However, the environment will only be preserved if the inhabitants are preserved first, and if we maintain the economic activities needed to support the livelihoods of the inhabitants in these faraway places.

Mr Hutton (ED). — Mr President, I suppose I must be one of the few people in this House who has actually lived and worked in the Scottish islands. I have lived and worked through one of those wild wind-blashed Shetland winters, and it is not pleasant. I do

Hutton

not have any doubts at all about the difficulties faced by people trying to farm in those conditions. Indeed, Mr President, I shall go further and tell you that for the seventh year running I shall be taking my summer holidays in one of the Scottish islands where, incidentally, for those British Members present, petrol last year cost £ 2 17p a gallon. It has not yet reached £ 2 on the mainland, though people in Britain seem to be living in fear of the prospect of it.

This is a thorough and intelligent report, Mr President, from a Scotsman who clearly loves the soil that he has farmed all his life, and I would pay tribute to Mr Provan's very thoughtful work, not only in preparing the report but also in the pressure that he has put on — in Scotland and in Europe to press this programme forward. I hope very much, Mr President, that much of what Mr Provan is proposing for the Highlands and Islands can eventually be shared by people in other less-favoured areas of Scotland, like Galloway and Roxbroughshire, who also farm high and difficult land and face many similar problems which need similar solutions and attention.

I have a particular interest in Mr Provan's proposals for forestry action, and I would like to appeal to the Commissioners who are here to bring the proposals which are waiting for them for a forestry action programme on to their agenda at an early date. These proposals will allow the Commission to take specific action on forestry in particular areas, such as Scotland, without it becoming a huge open-ended commitment like the agricultural policy.

To the Commissioners — or perhaps I should say Commissioner, since I notice that Mr Burke is alone among us — I say please look at these proposals with some speed, and then perhaps we can make progress on pressing forward with Community encouragement for the forest and wood industries in just the sort of areas where they can play a large part in the local economy.

I hope, like other speakers, that Members will give Mr Provan's report a fair wind from this House. Mr Provan has clearly persuaded the Commission, and I think in fairness I should say that — perhaps it is because I am looking for it — I think I detect the beginnings of a stirring of interest in the British Government, under Mr Provan's persistent nagging, in the review of the less-favoured areas directive. If my discernment is right, Mr President, it should give not only the Highlands and Islands but all the less-favoured areas of Scotland considerable heart to know that far off and difficult areas are taken notice of in the corridors of power, both in Brussels and in Edinburgh.

Mr Provan (ED), rapporteur. — Very briefly, Mr President, could I thank most sincerely Mr Bange-mann and Mr Muntingh for speaking in English during this debate; it was very good of them and I appreciate it very much indeed.

President. — The debate is closed.

The vote will be taken at the next voting time.

11. Indicator substance in milk

President. — The next item is the report (Doc. 1-1175/82) by Mr Diana, on behalf of the Committee on Agriculture, on an indicator substance in milk intended for use as animal feed and the use of milk powder in cheese production.

Mr Diana (PPE), rapporteur. — (IT) Mr President, about 20% of the milk produced in the European Community, corresponding to about 20 million tonnes of liquid milk, is converted every year into milk powder. The majority of this product is used as animal feed: in 1981 1 300 000 tonnes of skimmed milk powder was used for this purpose, corresponding to 14 500 000 tonnes of liquid milk.

Skimmed milk powder for animal feed benefits, as we know, from a price subsidy in the form of a contribution from the EAGGF. The charge to the Community budget for this single item was 730 million ECUs in 1981, but it is anticipated that this may increase, bearing in mind the considerable stocks of powdered milk, and the programmes prepared by the Commission to promote the use of this milk for animal feed.

The Executive Commission has however recognized that there are doubts as to the effective final destination of powdered milk for animal feed that benefits from the EAGGF subsidy. Fraud is made easy by the fact that the laws of many Member States allow the use of skimmed milk powder in cheese manufacture.

If we remember that in some Member States the addition of 15 grams of powdered milk is permitted per litre of liquid milk and that the milk powder is dissolved in water in the proportion of one to ten, we can see from this that over fifteen per cent of the milk for use by the cheese factories may be produced with reconstituted powdered milk. Hence the necessity for the Commission to take steps that will make a certain degree of legislative harmonization possible since, obviously, the rules of competition are distorted.

In other words, Community rules are needed sanctioning the prohibition of certain substances such as casein and caseinates for the production of cheese other than processed cheese. These rules should specify which techniques and products may be used, and the maximum permissible percentages for such products. For the manufacture of cheeses of designated origin stricter standards should naturally be applied. Rules of this kind will not be very effective, however, unless provision is also made for control procedures such as, for example, the compulsory listing on the

Diana

packaging of dairy products of the presence of any ingredients other than liquid milk, and the quantities of each ingredient.

At present the Directive governing labelling exempts cheese from the obligation to list ingredients — to which other food products are subject — 'provided that no ingredient has been added other than lactic products ...'.

Now casein, caseinates and whey are by-products of milk. Although their presence in cheese is harmless to the consumer from the health point of view, it is not without significance from the economic standpoint, since it reduces production costs by using the by-products of other industrial processes. In order to provide customers with the correct information, to which they have a right, it will therefore be necessary to indicate on the labels the presence of substances other than liquid milk, making it compulsory, that is, to show on the packaging if milk powder, as well as other products, has been used.

But what is more serious and more disturbing, ladies and gentlemen, is the question of skimmed-milk powder which receives EAGGF subsidies and is intended for use as animal feed. Here the possibility of fraud is two-fold: on the one hand the consumer suffers, because he is offered a product that in reality is intended for use in animal feed; and on the other, the Community budget suffers, because the product is subsidized by the EAGGF. It is true that Community legislation provides for a series of checks on firms using liquid milk; but it is also true that fraud is still possible because there is no specific standard that enables skimmed-milk powder to be distinguished from the various mixtures containing powdered whey and other products. It has been said that this is an Italian problem: I should like to make it quite clear that this is not the case — it is not only an Italian problem. On the contrary, I would say that control is perhaps easier in Italy than elsewhere, precisely because in Italy — Mr. Vernimmen — the use of milk powder in cheese manufacture is prohibited, whereas in his country it is allowed. Therefore, if milk powder is found in any cheese factory in Italy, the fraud is obvious. That is why, in our country, the problem is perhaps easier to solve. Obviously it is a question that is of great interest to Italy, since we import 700 million ECU's worth of milk products from the EEC, so that I think we have the right to ask for stringent controls on all this milk that is exported to our country. That there is legitimate ground for suspicion is shown, in my view, by the fact that powdered milk is still liquid milk that costs more — liquid milk with an added value on account of the processing cost to convert it into powder which, at current energy prices, is not insignificant.

These doubts must be dispersed. We must have a Community control system that works fast and efficiently. The proposal to incorporate an indicator or

tracer substance in milk powder which has benefited from EAGGF aid comes under this heading. It is not even a new proposal: this Parliament made a proposal of this kind at the discussion on farm prices in 1980, when the rapporteur was Mr Delatte. It was repeated in March 1981, on a similar occasion, when the rapporteur was Mr Ligios; and it was repeated yet again last year, again when farm prices were being discussed, and the rapporteur was Mr Curry.

So Parliament has put forward this request a number of times, and the report that I have the honour to present today on behalf of the Committee on Agriculture simply renews that request, expressed in clearer and, above all, more concrete terms. Those who will feel the effects of this proposal — and there has been a great deal of lobbying of members by food manufacturers and the trade generally — point out that this control system would cost money and involve procedures: they point out that it is difficult, at the beginning of the year, to know how much milk will be used for feeding calves. I think that these milk quantities can be determined at the beginning of the year, if not accurately then at least very broadly, and that any surpluses can in any event easily be stored. As far as the cost is concerned, it does not appear to me to be excessive; in any event it is less than the cost to the European budget of the frauds that are possible with the wrongful use of this milk powder that has benefited from EEC aid.

Mr President, ladies and gentlemen, every system of control costs money; it also involves control procedures. But to forget the controls would probably not bring about any saving; the budget of the European Economic Community would feel the effects of the frauds that unfortunately exist, not only in the case of certain Mediterranean products, as has been said and repeated on many occasions, but also, sad to say, in the case of other products. I think it is our duty not to close our eyes to these things but, instead, to exercise our right of control to the full.

For this reason, Mr President, on behalf of the Committee on Agriculture, I ask members to support this proposal.

(Applause)

Mr Burke, Member of the Commission. — Mr President, the Commission has noted with great interest the report by Mr Diana, on behalf of the Committee on Agriculture, and also the motion that was moved. It shares the rapporteur's view as to the value of common rules on cheesemaking which would, in particular, ensure better protection of milk products and fuller consumer information. This matter will be gone into in the process of considering a broader proposal on the quality of milk products and the ways in which they are made and marketed. On the other hand, it does not feel that the monitoring of the distribution of sub-

Burke

sidy-aided skimmed-milk powder for animal feed could be improved by the addition of a tracer element, since by means of the existing measures in respect of denaturing — monitoring of which has in recent years become appreciably more efficient, thanks in particular to new methods of analysis — any fraud can be detected.

The Commission nevertheless takes note of the rapporteur's remarks on the importance of stringent monitoring of products containing subsidy-aided skimmed-milk powder and will continue its efforts to secure further improvement of methods of analysing these.

Mr Vernimmen (S). — (NL) Mr President, may I first say to Mr Diana that I have no financial interest in any industrial group and that my opinion is based on information available to me and facts I can confirm. I shall restrict myself now to a few facts.

The production of skimmed-milk powder in the Community is around 2 300 000 tons, of which more than half, 1 300 000 tons goes to the cattle feed industry, particularly for the feeding of calves. The producers of milk substitutes for calves buy skimmed milk powder at the gross or market price. In the last few years this price has remained relatively stable round about the intervention price. Subsidies are paid for processing into calf feed but only when proof is given that this skimmed milk powder is actually used for producing cattle feed for fattening calves, in accordance with the provisions of the regulation, art. 17 para. 25, and most Member States, Mr Diana, even have a physical check on this.

Secondly: skimmed milk powder is also used for processing into pig feed. This skimmed milk powder is bought from intervention, usually at a considerably reduced price but after payment of a surety which forms the difference between the intervention price and the reduced price.

Furthermore, Mr Diana, various Member States, including Belgium which you quoted, require the addition of a colouring agent as a indicator substance in the processing. Thirdly, your point on cheesemaking has been answered, I think, in the Commissioner's statement. There are also Member States who have already introduced carefully reasoned legislation on that point. This raises several questions.

1. There are enormous stocks in intervention. Must an indicator substance be used when they are being processed?

2. Rather than stating that 5% of the powder is skimmed off for human consumption, would it not be better to prove first of all that there has actually been a case of fraud? One could then investigate how and at what level this happens and then it will have to be stopped.

Is this not an attempt to present a typically Italian problem as a Community one under regulation 1624? The measures proposed in the report do not achieve the intended purpose, whereas the consequences for producers, processors and consumers are often unclear. The Socialist group will only approve this report if Mr Bocklet's amendment is carried.

President. — We shall now suspend the debate and begin with the votes.

12. Votes¹

After the adoption of the Scrivener report (Doc. 1-1321/82)

President. — I call Mr Alavanos to speak on a point of order.

Mr Alavanos (COM). — (GR) Mr President, I would like to apologise to you and to the Assembly for the delay that I am about to cause by bringing up a procedural matter, but an extremely serious problem has arisen in the Press room. A little while ago, a verbal question to the Council of Ministers of the European Community was distributed, and this constitutes . . .

President. — That has nothing to do with the Rules of Procedure.

If you wish to make a personal statement, then you must do so at the end of the sitting. We still have to vote on the Provan report. So far you have said nothing whatever about the Rules of Procedure.

PROVAN REPORT (Doc. 1-1177/82 — Highlands)

After paragraph 29 — Amendment No 5

Mr Provan (ED), rapporteur. — Mr President, I would ask Parliament to vote these separately, or at least in two groups of three. I find it rather difficult to accept paragraphs a, b and c because there is a funding problem. At the present time there is no possibility under the EAGGF of using funds for environmental impact assessment. Therefore I cannot accept a, b and c.

However, I will be accepting, and suggest that Parliament adopts, paragraphs d, e and f.

Mr Muntingh (S). — (NL) Mr President, there is a translation error in para. (a). After the last comma in

¹ See Annex I.

Muntingh

the Dutch text, it says 'aid must also be granted to protect and conserve the environment'. The English text says 'equally', and that is a mistranslation; the English text should read 'as well', which makes a considerable difference. I should like to ask you to take that into consideration.

After the adoption of the Provan report

President. — I call Mr Alavanos to make a personal statement.

Mr Alavanos (COM). — (GR) Mr President, I shall be very brief, please do not cut me short. This is a very important matter that is of particular concern to my country. A little while ago a verbal question by Mr. Rumor was distributed — I shall not refer to its content — which in my opinion constitutes an undisguised interference in the internal affairs of my country. This

question was presented as a question by Mr. Rumor, the chairman of the Political Affairs Committee . . .

President. — Mr Alavanos, I am sorry to have to interrupt you. It is obvious that we are talking here about a statement that was not made in the House.

Mr Alavanos (COM). — (GR) Mr President, I would like an assurance from you, both to us and to the Press, that this was a personal question put by Mr Rumor, because the Political Affairs Committee is one thing and Mr Rumor a different thing, which both the Italian and the Greek . . .

President. — We shall look into the matter.¹

(The sitting was closed at 7.05 p.m.)

¹ 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 as well as explanations of vote. For details of the voting the reader is referred to the Minutes of the sitting.

SEITLINGER MOTION FOR A RESOLUTION (Doc 1-2/82 — uniform electoral procedure): ADOPTED

Explanation of vote

Mr Chambeiron (COM). — (*FR*) I should like to remind the House that in March last year the French Communists and Allies Group abstained in the vote on the draft Act and the motion for a resolution on a uniform electoral procedure, although at the same time taking the view that it was a positive development that Parliament should have decided to adopt the principle of proportional representation for European elections because we saw this as the only way to make this House genuinely representative of the various political strands in our respective countries. We understood that agreement on this point among the Ten appeared difficult in view of the well-known position of the United Kingdom, and believed that a more general agreement taking account of all the proposals contained in Mr Seitlinger's report made it an impossible task in view of the refusal to accept that democratic principles required deference to the diversity of national characteristics.

The most recent attempt made last month in Brussels merely served to underline that the Ten had only very limited room for manoeuvre and that any attempt to go beyond it would be bound to fail.

I wish to say very frankly that we regret that it has not been possible to reach at least a minimum agreement on the principle of proportional representation and that the choice of other procedures has not been left to the Member States, since this would have been wise in the present circumstances. But will what some people here seem to regard as a defeat for Europe — there has even been talk of an historic defeat — be seen in the same light by public opinion in the countries which we represent? There is reason to doubt it. What public opinion seems to expect of us is the formulation of practical solutions to the problems which affect the daily lives of our peoples and influence their future. Public opinion wants this Parliament to come to grips with the substantive problems rather than matters of form.

We abstained in March 1982, we shall abstain in March 1983.

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O'HAGAN MOTION FOR A RESOLUTION (Doc. 1-5/83 — Uniform electoral procedure): REJECTED

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BETTIZA REPORT (Doc. 1-1193/82 — Yugoslavia): ADOPTED

Mr Haagerup, deputy rapporteur, was:

- IN FAVOUR OF Amendments Nos 1, 6, 7, 11 and 12;
- AGAINST Amendments Nos 2, 5, 8, 10/corr., 13 and 14.

Explanations of vote

Mr Bournias (PPE). — (GR) In the Political Affairs Committee I supported and voted in favour of the Bettiza resolution concerning the situation in Yugoslavia, and this for political and economic reasons but also because Yugoslavia connects Greece to the Community. Yugoslavia, with which my country has a common frontier and has long maintained very close links, particularly in the sector of tourism, continues to follow the lines laid down by her great leader Tito, even after his loss; lines that have spared the Balkan countries many a headache. Moreover, as in the past, that country still plays a leading role among the non-aligned countries, motivated by the criteria of peace, security, and collaboration with Europe. My country has many reasons to support Yugoslavia and help her to overcome her present economic crisis, and it is therefore self-evident that not only I myself but also all the European Members of the New Democracy will vote in favour of the Bettiza report we have debated.

Mr Kyrkos (COM). — (GR) We shall vote in favour of the resolution. Yugoslavia is a relatively small country that plays a very important part in international relations and is a leading power among the non-aligned countries, a socialist country that champions the cause of a new order of things in the world, based on equality and cooperation.

The amendments I put forward, and of which some were accepted, were intended to show the need to omit from the resolution certain statements that might be interpreted as interference in the internal affairs of Yugoslavia, or that could be construed as derogatory. We esteem that country and we wish to stress that an extension of our collaboration with her is to our mutual benefit — the example of 'baby beef' that concerns Greece was typical — and can in no case be interpreted as an attempt to influence her policy.

We shall therefore vote in favour of the resolution submitted to us by Mr Bettiza, in the hope that this will encourage the immediate and full implementation of the agreements with Yugoslavia, and their extension.

Mr Albers (S). — (NL) My group has asked me to give an explanation of vote, which I willingly do as I am a member of the delegation and know from experience that it is possible to have good relations with the delegation from Yugoslavia; they are excellent partners in discussion. That was quite clear during the official visit we had in October 1982 to that country.

It is possible to discuss matters concerning trade relations, improvements in infrastructures, relationships with Greece, migrant workers. My group believes we must try to continue these discussions but it must not lead to interference in the internal affairs of that country. We also regret that the report is on the situation in Yugoslavia. We would have preferred to see it called: a report on relations with Yugoslavia.

We are certain that all further issues, such as human rights, and events inside Yugoslavia, can be discussed properly together in the delegations. We are also in favour of improving relations with SKOUPSTINA. Even after the vote on the amendments, however, we can support the resolution, particularly because it says that we must help Yugoslavia in the role that country plays in the meeting of the non-aligned countries; in the Security Conference and in the Madrid Conference on Security in Europe. My group will therefore vote in favour of this resolution.

Mr Ziagas (S). — (GR) We, the Greek European members of PASOK consider that the entire rationale of the Bettiza report views the need to activate the agreement for collaboration with Yugoslavia, of 2 April 1980, in the correct dimension. Most certainly, the promotion of political, economic and technological collaboration will contribute to deal-

ing more effectively with the internal economic problems that Yugoslavia is facing, and will at the same time help that country to pursue its non-aligned policy on the international scene. We Greek Socialists believe that the positive role of Yugoslavia within the framework of the non-aligned group, liaison concerning security and collaboration in Europe, and the relations between East-West and North-South should be reinforced. For the reasons we shall vote in favour of the Bettiza report.

Mr Gouthier (COM). — *(IT)* On behalf of the Communist and Allies Group, I wish to state that the Group supports this resolution. The political sense of this resolution is clear: it is a proposal to develop positive relations between the Community and Yugoslavia, on a basis of autonomy, independence, and Yugoslavia's status as a non-aligned country, and to intensify and speed up the full implementation of the agreements recently concluded.

In our dealings with Yugoslavia, which is a sovereign state, we must be careful to avoid giving any impression, however unintentionally, of wanting to interfere in her internal affairs. We are convinced that the full respect of the principles of parity and full equality between the EEC and Yugoslavia is the best and most effective way of ensuring the full development of relations on the economic and political plane.

Mr Ephremidis (COM). — *(GR)* We shall not oppose the resolution under discussion, but we stress that we have serious reservations because it is contradictory, it attempts to interfere in the internal affairs of the Yugoslavian Republic, and it introduces no substantial and specific measures to assist that country in overcoming its crisis. The report confines itself to vague exhortations to maintain frequent contact.

I also wish to say that the resolution cannot disguise a certain political opportunism when it attempts to express mistrust and anxiety concerning the increase in commercial exchanges between Yugoslavia and the Member States of COMECON, when this precisely is one of the ways in which that country can overcome its economic crisis.

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SCRIVENER REPORT (Doc. 1-1321/82 — Budgetary policy): ADOPTED

The rapporteur was:

- IN FAVOUR OF Amendments Nos 1/rev. and 10;
- AGAINST Amendments Nos 3, 4, 6, 7, 8, 9/rev., 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25/corr., 26, 27, 28 and 29.

Explanations of vote

Mr Saby (S). — *(FR)* The Socialist Group will be voting for Mrs Scrivener's report. This said, Parliament should be alive to the fact that, for many years now, we have made the drive for jobs, especially for young people, our first priority, and that these pre-budget declarations must not be allowed to degenerate into annual incantations.

We must make sure that we secure what we ask for in the various committees of Parliament when examining the budget, namely job creation, new investment, and measures in other sectors.

Too often we have found that the dossiers presented by the Commission have not reflected exactly the aims that we had set ourselves. We believe that, with the acute situa-

tion caused by unemployment that we have today and in view of the international monetary difficulties, it is more than ever necessary for this Parliament to work with the Commission to ensure that the guidelines laid down in the report can be followed and the objectives attained.

This is all that we hope to see in the drafting of this budget. We shall therefore be voting for Mrs Scrivener's report.

We call upon all Members to exercise the greatest vigilance during committee work to ensure that every ECU is indeed allocated in accordance with the guidelines that we have laid down in this report.

Mr Forth (ED). — I shall vote against this report. It is not often that one gets the chance to vote against a report because of one word, but that is precisely what I shall be doing today. I refer of course, to a word in paragraph 6, in which the original text said: '... affirms that the common agricultural policy is an essential element in European integration'. I do not believe that, Mr President, and the House has turned down my amendment, which said: 'Affirms that a common agricultural policy ...'. I accept that a common agricultural policy is essential to European integration, but to use the word 'the' precludes any reasonable reform of the policy, I believe. If we are to take our own words as being of importance, if we are to read and understand them and expect others to do so too, then I think we should give thought to this. I have certainly given thought to it, and I am not going to support this report as a result, because it would haunt me for the rest of my days if I were to be told from now on ...

(Laughter)

... that I had voted in support of 'the' unreformed common agricultural policy as it now exists.

There is one other reason why I shall vote against, and that is the regrettable decision of the House to vote against Amendment No 8, which very sensibly asked for projects to improve the operation of the internal market — something which my group is very keen on normally — and projects to extend the openness of public purchasing contracts. Because we have taken leave of our senses and not supported that, I am therefore totally unable to support this report in its present form.

Mr Balfour (ED). — Mr President, the only reason I put my name down for an explanation of vote was that I knew that Mr Forth had put his name down for one. I normally like to do this in order to correct any false impressions that he may create, and he has done precisely that.

I therefore take great pleasure in announcing to this House that my group is fully committed to *the* CAP, to *the* common agricultural policy. This is not to say that we shall not seek throughout the whole of our tenure of office to reform it as best we can.

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PROVAN REPORT (Doc. 1-1177/82) — Highlands and Islands): ADOPTED

The rapporteur was:

- IN FAVOUR OF Amendments Nos 1, 3 and 4;
- AGAINST Amendment No 2.

Explanation of vote

Mr Kyrkos (COM). — (GR) We shall vote in favour of Mr Provan's splendid report, which concentrates Parliament's attention on the Scottish islands and Highlands and gave us the opportunity to speak more generally about other insular and disadvantaged areas in the Community. The rapporteur's comments also reflect the problems of the Greek islands, particularly those in the Aegean, some of which are linked to the history of our civilization, or are indeed its very cradle. Many of those islands are nowadays abandoned, while their populations, which were still able to survive under the conditions of a closed economy, now depart to seek employment elsewhere and under more acceptable conditions. It is by no means rare for people to die of relatively trivial but acute disorders because they cannot be conveyed to some centre.

Mr Provan's report demonstrates to us the Community's obligation to turn its attention not only towards large centres of population, but also towards island regions that, in many countries such as Greece and the rapporteur's own homeland, can not only be developed, but can also provide an outlet for modern man's yearning to escape from the concrete jungles of the cities and come closer to the inexhaustible richness of nature, the sea and the light.

ANNEX II

Questions which could not be answered during Question Time, with written answers

I. *Questions to the Council**Question No 4, by Mrs De March (H-694/82)*

Subject: Improvement of Community regulations concerning fruit and vegetables

Is the Council determined to act quickly to conclude an agreement making it possible to improve Community regulations concerning fruit and vegetables, taking into account the resolution adopted by the European Parliament on 16 June 1982 on the basis of the Maffre-Bauge report (Doc. 1-279/82)?

Answer

My colleague Mr Ertl informed you this morning that the Council is intensifying its work on improvement of the Community rules applicable to the fruit and vegetables sector by making an examination of the Commission's proposals on this subject, taking account of the Parliament's opinion of 16 June 1982. This examination is taking place in connection with adjustment of the Community rules on Mediterranean products.

The Council will endeavour to comply with the wish expressed by the European Council of 3/4 December 1982 by completing its work in time for the European Council's meeting in March 1983, to which end it has been agreed to devote a complete meeting early in March to the subject of adjustment of the Community rules applicable to fruit and vegetables and olive oil.

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Question No 10, by Mr Collins (H-679/82)

Subject: Asbestos

It is now eight months since the European Parliament delivered its opinion on the Proposal for a second Council Directive on the protection of workers from the risks related to exposure to agents at work: asbestos (Doc. 1-488/80) and during these months it has become clearer than ever that such a Directive is necessary and this is accepted by both workers and employers. Will the Council agree that eight months is too long to wait for a decision and will they say how much longer it will be before a final decision is reached?

Answer

The Council confirms the importance it attaches to the Proposal for a Directive on the protection of workers exposed to asbestos.

However, this proposal poses a number of technical problems, in particular the problem of fixing limit values as it relates to that of ensuring the proper monitoring of the concentration of asbestos fibres in the air: these problems require detailed examination if solutions which can be effectively applied in the 10 Member States are to be found.

Moreover, the European Parliament itself, which was consulted on this proposal on 10 October 1980, did not deliver its opinion until 23 April 1982. However, the Council hopes to be able to conclude its discussions on the subject by the middle of this year.

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Question No 15, by Mr Radoux (H-756/82)

Subject: Employment policy

The President-in-Office of the Council has stated that employment policy is first and foremost the responsibility of the Member States, but that the Community must demonstrate its ability to make an essential contribution on this vital issue.

Does the President not agree that, certain provisions of the Treaties, although couched in very general terms, oblige the Community to address these problems?

Answer

The terms to which the honourable Member refers, used by the President of the Council before the European Parliament on 11 January 1983 when presenting the programme of the German Presidency, in no ways call in question the powers that the Treaties confer on the Community in the area of helping to combat unemployment. These powers are exercised *inter alia* through the operations of the European Social Fund and through implementation of the policy on vocational training.

It is in this spirit that the Council will be devoting most of its next meeting on employment and social affairs to an examination of this problem — to which it has always attached the highest importance — on the basis of the Commission's proposals and in the light of the opinions of Parliament and the Economic and Social Committee.

In addition, the Commission has submitted a memorandum on working time.

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Question No 17, by Mrs Weber (H-763/82)

Subject: Waste from Seveso

The President of the Council promised in the debate on Question H-621/82¹ that he would endeavour in the Council to clarify the question of the disposal of waste from Seveso.

What efforts have so far been made to obtain information on the route taken by and final storage place of this highly toxic waste, so as to dispel the concern felt by the populations of several Member States?

Answer

With reference to my statement of 8 February 1983 may I first confirm quite generally that this waste was transported and stored pursuant to Directive 78/319/EEC of 20 March 1978 on toxic and dangerous waste, and especially Articles 5 and 14 thereof. Pursuant to Article 5 of that directive, toxic and dangerous waste must be disposed of in such a way as not to endanger human health nor harm the environment. Article 14 sets out a number of rules on the disposal and transportation of toxic and dangerous waste.

May I specifically inform the honourable Member that according to information obtained from the Italian authorities

— the contaminated matter consists of a mass of about 2 200 kg of sodium chloride, which contains about 300 g of dioxin,

¹ Debates 11 January 1983.

- this waste is transported in steel containers with double walls separated by a layer of insulating material, like the containers used for the transport of nuclear fuels,
- and the final storage place was a former clay pit, which is constantly inspected.

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Supplementary answer

On the matter of exchanging information it must be pointed out that the abovementioned directive does not impose any general obligation on Member States to provide the Community institutions with detailed and specific information on the disposal and storage of toxic and dangerous wastes. Article 16 of the directive provides that the Member States shall make a report to the Commission on the removal of toxic and dangerous wastes. Furthermore, the Commission must report every three years to the Council and the European Parliament on the implementation of the directive.

The President-in-Office of the Council is not empowered to make any further disclosures about the place where these wastes are stored or about the contract entered into by the Italian authorities in connection with this matter.

It is not for the Council to give the Commission any instructions or make any recommendations to it as to how it shall draw up the report provided for in Article 16 of the directive, i.e. the report to the Council and the European Parliament on the implementation of the directive.

In an effort to solve the numerous problems arising from the cross-border transport of dangerous wastes, the Commission submitted to the Council on 17 January 1983 a proposal for a directive on more efficient monitoring of these transport arrangements. The Council Presidency intends to get started on consideration of this proposal for a directive before the middle of this year. The Council would be glad if the European Parliament could deliver its opinion on this matter as soon as possible.

Question No 18, by Mrs le Roux (H-783/82)

Subject: Pilotage off the English coast

A recent proposal by the British authorities to remove 160 coastal pilots from the South coast of England has provoked strong feelings among the inhabitants of the North Sea coastlines, in view of the serious risks which such a decision would involve.

Is the Council aware of this proposal and does it intend to raise this issue at a time when various coastal states are striving to prevent accidents caused by possible pollution?

Answer

The Council has not been informed of the proposals to which the honourable Member refers.

I would remind you that, according to Article 1 of Directive 79/115/EEC on the pilotage of ships by deep-sea pilots operating in the North Sea and the Channel, 'The Member States which have coasts bordering on the North Sea or English Channel shall take all necessary and appropriate measures to ensure that vessels availing themselves of the services of a deep-sea pilot for pilotage in the North Sea or the English Channel be provided with adequately qualified deep-sea pilots in possession of a certificate delivered by a competent authority of one of those Member States certifying that such pilots are qualified to pilot vessels in the North Sea and the English Channel'.

It is the responsibility of the Commission to ensure that this directive is applied.

The Council continues to take a keen interest in all measures likely to prevent accidents causing marine pollution. In this context I can draw your attention to the memorandum which the German Government has recently sent to the Council on the subject of the organization of an international conference on protection of the North Sea.

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Question No 21, by Mr Key (H-806/82)

Subject: Wine frauds

In the light of the reports on current investigations into wine sector frauds in the Rheinland Palatinate, is the Council satisfied that existing Community legislation is adequate to ensure that the flat-rate refunds to Member States of costs incurred in collecting own resources are in fact fully used for that purpose and that proper attention is paid in the Member States to the training of investigating officers so that they may make use of current technological innovations in the fight against fraud to the detriment of Community funds?

Answer

The flat-rate repayment to the Member States of costs incurred in collecting resources is entered in Article 800 of the Community budget. This repayment is provided for in Article 3 of the Decision of 21 April 1970 on own resources, which lays down that 'the Communities shall refund to each Member State 10% of the amounts paid in order to cover expense incurred in collection'.

The repayment is limited to 10% of the own resources paid, other than those originating from value added tax.

The Member States are free to choose the purposes for which repayments are used. Training national investigating officers is obviously a matter for Member States. However, it is well known that the Commission is devoting considerable efforts to the organization of training courses and seminars to assist in the fight against fraud.

Furthermore, the Council's subordinate bodies are currently examining a proposal for a Regulation on the strengthening of controls that concern the application of Community rules on agricultural products. As the honourable Member already knows, the Parliament, at its sitting on 14 October 1982, delivered a positive opinion on this proposal in which provision is made for inspections by Community officials.

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Question No 22, by Mr Del Duca (H-809/82)

Subject: Application of Directive 77/486/EEC¹ on the education of the children of migrant workers

A decision has recently been taken in a district of Brussels to close ten out of eighteen primary schools from September this year. Implementation of this decision would particularly affect the children of immigrant workers, who constitute 93% of the pupils of the schools concerned. Does the Council not consider that this decision is contrary to the provisions of Directive 77/486/EEC on the education of the children of migrant workers?

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¹ OJ L 199, 6. 8. 1977, p. 32.

Question No 26, by Mr Ripa di Meana (H-818/82)

Subject: Instances of xenophobia in Belgium

Can the Council indicate what steps it intends to take to deal with the situation in the Commune of Schaerbeek — one of the nineteen communes which comprise the extremely civilised city of Brussels — whose mayor, Mr Roger Nols, has decided to close ten primary schools attended by the children of immigrants and, moreover, to levy an additional education tax on immigrants?

Instances of this kind undermine the fundamental rights of children of immigrants, particularly their right to study, and constitute a serious manifestation of racial intolerance. This situation is likely to be aggravated by the worsening of the economic crisis which in Belgium is hitting the families of immigrant workers hardest and fuelling the upsurge of racist feeling among Belgians, in particular the view that foreigners are responsible for the country's present difficulties.

Joint answer

With the author's permission, I should like to answer the questions from Mr Del Duca and Mr Ripa di Meana together.

The Council, whilst not forgetting the declaration it made with the European Parliament and the Commission, and by which these Institutions emphasized the importance they attach to the respect of fundamental rights, as laid down in particular by the Constitutions of the Member States and by the European Convention on the Protection of Human Rights, is of the opinion that, in the particular case in point, it is not its duty to intervene.

In so far as the questions asked by the honourable members raise the question of the conformity to Community law — and in particular, Council Directive 77/486/EEC of 25 July 1977 concerning the education of children of migrant workers — of measures taken by a Member State, the Council wishes to remind them that in accordance with Article 155, item 1 of the Treaty instituting the EEC it is in fact the responsibility of the Commission to ensure the application of the dispositions of the Treaty, and the measures adopted by the Institutions of the Community pursuant to the Treaty.

The Council moreover points out that the facts quoted by the honourable gentlemen are matters for the Belgian authorities. I have every reason to believe that Belgium, like all our Member States, faithfully respects the fundamental rights and ensures that its own laws are respected, especially where education is concerned.

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Question No 23, by Mr Alavanos (H-811/82)

Subject: The Greek Presidency

In the second half of 1983 the Greek Government is due to assume the Presidency of the EEC Council of Ministers; however, the issues raised in the memorandum on relations between Greece and the EEC have not yet been resolved and the Greek Government is known to disagree with the EEC on a series of fundamental questions concerning the competence of the Council of Ministers and political cooperation on foreign policy.

Since Community circles have begun a campaign to influence and modify the policy of the Greek Government before it assumes the Presidency, can the Council state what are the powers, the duties and the rights of a Member State and which of these are based on the legal provisions of the Treaties?

Answer

In Article 2 of the Treaty for the founding of a single Council and a single Commission of the European Communities, the sequence in which each Member State shall take over the Presidency of the Council of the European Communities is specified.

On the basis of Article 3 of the same Treaty, it is the President of the Council who is responsible for convening meetings of the Council.

There are no other articles in the Treaty that confer competences on the President of the Council of the European Communities.

The internal regulations of the Council specify certain responsibilities of the President of the Council. In addition to convening the sessions, the President:

- must prepare the agenda for Council meetings seven months in advance (Article 1, paragraph 2).
- must organize Council's day-to-day arrangements (Article 2, paragraph 1).
- must sign the minutes issued by Council (Article 9),
- must communicate the directives, decisions and recommendations (Article 10),
- represents Council in the European Parliament and its committees (Article 19),
- receives any correspondence addressed to Council (Article 20).

Besides, during its session of 1st and 2nd December 1980 the European Council adopted the conclusions of the report submitted to it by the Committee of Three concerning the European institutions. So far as the Presidency of the Council was concerned, the European Council issued the following statement:

'The Presidency, assisted at all levels by the general secretariat, plays a key role particularly in the organization of the work and in drawing up the daily arrangements of the Council, in supervising the progress of the work done by the working parties, and in coordinating the work of the various bodies so as to ensure the cohesion of the Council's decisions.'

The honourable Member is asked to put his question directly to the EPC because of the aspects that fall within their terms of reference.

The Council will shortly be consulted on a memorandum from the Commission which the latter is drawing up following its talks with the Greek Government on their memorandum.

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Question No 24, by Mr Adamou (H-813/82)

Subject: Increase in the price of fertilizers in Greece

Following the drastic reduction in national subsidies for agricultural fertilizers in accordance with the provisions of the Treaty of accession, the Greek Government has now decided to increase prices by 40%. It is evident that this decision will lead to still higher production costs for Greek agricultural produces.

What measures does the Council intend taking to protect the incomes of Greek farmers from the painful consequences of this increase?

Answer

Council has taken note of the problems faced by the Greek farmers, particularly as regards the evolution of the overall cost of production, which is in any case affected by the consequences of the recent devaluation of the Drachma.

Besides, the Honourable Member should be reminded that by virtue of the Act of Accession, the Greek government is indeed required, before the end of 1985, to abolish the national subsidies granted to fertilizers and crop-protection products up to 1981, and that the subsidies in question should already have been reduced by 60% relative to the percentage of the original sum. Nevertheless, Greece derives advantages from the CAP as a whole, and in particular from measures of an organizational character, especially from Directive 75/268 which allows the payment of counterbalancing compensation to farmers in disadvantaged areas.

Moreover, Council has recognized the special difficulties of Greek agriculture that derive from the existing structures and the high level of inflation, and in this spirit, during the course of 1982 it approved a series of measures of an organizational nature designed to help the development of agricultural incomes in Greece, and if necessary to submit special proposals for solving any problem that might be shown to exist.

Finally, on 26 January 1983, Council established a new representative conversion factor for the Greek Drachma within the framework of the CAP, so as to approximate more closely to the economic realities in that country, thereby permitting some degree of compensation to Greek farmers for the results of the recent devaluation.

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Question No 25, by Mr Ephremidis (H-815/82)

Subject: The problem of Greek lemons

The existing measures referred to by the Council in its answer to Oral Question No H-609/82¹ on finding outlets for Greek lemons are inadequate to provide a solution to the problem of lemons, at least for this year; this is particularly serious since total exports up to 31. 12. 1982 amounted to 1 468 tonnes compared with 29 575 tonnes in 1981 — a fall of 95% — and the EEC accounted for only 355 tonnes compared with 1 578 tonnes last year.

Can the Council give a clear answer proposing specific measures for dealing with the problem of lemons, an area to which — as suggested by the figures quoted — the principle of Community preference does not apply?

Answer

Within the framework of the authority and powers invested in it by the Treaty, Council cannot on its own initiative take certain administrative measures that would influence the functioning of the agricultural markets. The administration of agricultural markets is the work of the Commission of the EEC within the framework of the market organizations. Consequently, if exports of Greek lemons to the Community have been reduced, as the above statistics show, the only body that is competent to take the appropriate measures or, if needs be, to submit proposals to Council, is the Commission of the EEC.

So far as the substance of the matter is concerned, Council limits itself to the thoughts it expressed on 11 January 1983. In fact, Council enacted a common legislative framework which will make it possible for firms to develop their economic and commercial activities by virtue of various measures of market support, promotion of trade and internal protection. Moreover, to the measures enumerated in the reply of January 1983 should be added the support for the transformation of lemons envisaged by Regulation (EEC) No 1035/77.

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¹ 11. 1. 1983 Debates of the European Parliament. Provisional Edition.

II. Questions to the foreign ministers

Question No 31, by Mr Schmid (H-751/82)

Subject: Initiatives to be taken by the Ministers for Foreign Affairs (Political Cooperation) on the Middle East

Do the Ministers not feel that they must define their official position following the adoption by Parliament of the Penders report during the January part-session?

Answer

The Ten took note of the resolution on the situation in the Middle East adopted by the European Parliament on 11 January 1983. They regard it as a welcome endorsement of the position of the Ten, since a number of the points touched on in this resolution were dealt with in detail in earlier statements by the Ten.

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Question No 34, by Mr Kyrkos (H-775/82)

Subject: Crimes committed by Israel in Sabra and Chatila

The report by the government committee of investigation on the massacres at Sabra and Chatila has confirmed the criminal responsibility of the Israeli Defence Minister in the genocide and the indirect responsibility of Prime Minister Begin.

In the light of these dramatic revelations, will the Ministers recognize the PLO and seek a solution which will guarantee the right of the Palestinians to establish their own state, now that it has been confirmed that the 'terrorists' are not in their ranks and that the Zionist leadership of Israel and its international protectors are doing everything they can to prevent a democratic solution being found to the problems of the Middle East?

Answer

The Ten expressed their deep shock and revulsion at the massacre of Palestinian civilians in Beirut. They formally condemned this criminal act and called for the necessary measures to be taken to guarantee the safety of the civilian population. Some of the EEC Member States are taking an active part in the measures introduced for this purpose, through the multinational peace-keeping force.

The Presidency approached the Israeli and Lebanese Governments on behalf of the Ten on 17 February 1983. Both governments were aware of the problem of the safety of the Palestinian civilian population. The Israeli Government assured the Presidency that security measures round Palestinian camps were being reinforced. The Lebanese Government promised to raise the matter during its talks with Israel.

The Ten have not discussed the report of the Israeli committee of investigation into the massacres in the Sabra and Chatila camps. The Presidency cannot therefore go into this aspect of the honourable Member's question.

As regards the conclusions to be drawn in respect of their attitude towards the PLO, the Ten have urged the inclusion of all parties concerned in a comprehensive peace settlement in accordance with the principles defined in the Venice declaration and the subsequent declarations, especially that of 20 September 1982. They have pointed out that the PLO must be a party to the negotiations. Furthermore, they pointed out that such a settlement must be based on the following principles:

— security for all the states in the region — including Israel's right of existence;

- justice for all peoples — including recognition of the legitimate rights of the Palestinian people, with all that implies;
- mutual recognition by all parties concerned.

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Question No 35, by Mr Seligman (H-790/82)

Subject: Civil defence

Will the Ministers discuss improving the effectiveness of civil defense measures by exchanging between member nations and by considering the possibility of mutual aid in the event of one member suffering a nuclear attack?

Answer

Matters of civil defence are not discussed in the framework of European Political Cooperation.

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Question No 36, by Mr Antoniozzi (H-801/82)

Subject: Middle East

What is the Ministers' position on the conclusions of the Committee of inquiry into the massacres in Sabra and Chatila and the murder of Bechir Gemayel in Lebanon, and what political initiatives do they intend to take not only to express their views on these dramatic events but also to ensure that there will be no recurrence of such grave violations of human rights?

Answer

The Ten are aware of the possible danger to Palestinian civilians in the Lebanon. The Presidency therefore approached the Governments of Israel and the Lebanon, on behalf of the Member States, on 17 February 1983, to indicate the European concern and request stronger protective measures for the Palestinian civilian population. Both governments were aware of the problem and promised to attend to this matter in response to international requests.

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Question No 37, by Mr Alavanos (H-816/82)

Subject: The visit of Vice-President Bush of the United States to the Federal Republic of Germany

While popular peace movements and political leaders in Western Europe and also in the USA are reacting increasingly sharply to plans to deploy American missiles in Europe, the Government of the Federal Republic of Germany, the present incumbent of the Presidency of the Council of Ministers, announced during the visit of Vice-President Bush its support for the NATO dual decision and President Reagan's 'zero option' which is leading to a deadlock in negotiations on Euromissiles and poses a grave threat to Europe.

Can the Foreign Ministers meeting in political cooperation state whether the alignment of the government of the Federal Republic of Germany with that of the USA on the foremost problem facing the peoples of Europe today involves the EEC as a whole since other governments of the Ten hold totally different positions from that of the government of the Federal Republic of Germany?

Answer

The honourable Member is surely aware that defence questions are not discussed within the framework of European Political Cooperation. Therefore I cannot answer this question.

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III. *Questions to the Commission*

Question No 38, by Mr Moreau (H-788/82)¹

Subject: Relations between the EEC and Vietnam

Although food aid to Vietnam was suspended several years ago, that country was granted emergency aid last year.

It seems necessary to draw the Vietnamese Government's attention to the European Community's desire to see an improvement in the human rights situation in its country as regards the citizens, residents and governments of the ten Member States.

Hundreds of humanitarian appeals to the Vietnamese Government to permit the reunion of families one of whose members is domiciled in a Member State of the Community have failed to produce a reaction or even a reply despite repeated well-founded requests by our governments.

Humanitarian concern cannot be a one-way business: there must be a corresponding effort on the part of a government which is a potential recipient of our aid to respond to the concern for human rights felt by the Member States of the Community.

What are the Commission's feelings about the means to be adopted to achieve this aim?

Answer

Clearly, as the honourable Member points out, humanitarian concern cannot be a one-way affair and it goes without saying that the Commission is firmly committed to the principle of respect for human rights. With regard to the emergency aid granted by the Community under item 950 of the budget, to which the honourable Member refers, the Commission must stress the strictly humanitarian nature of such aid. By definition, it is granted not to governments but to populations affected by natural disasters. This was the case with the emergency aid granted in December 1982 to the victims of a typhoon in northern Vietnam. To be more specific, this aid was channelled through an international organization (UNDRO) which had assumed responsibility for its distribution.

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¹ Former oral question with debate (O-108/82), converted into a question for Question Time.

Question No 44, by Mr Flanagan (H-674/82)

Subject: EEC aid for Northern Ireland

In answer to Question No H-107/82¹ which deals with Community action in favour of Northern Ireland's unemployment problem, the Commission stated that "in the application of the so-called 'supplementary measures' in favour of the United Kingdom, adopted on 27 October 1980, a part of the financial contribution was earmarked for the funding of programmes in Northern Ireland". Will the Commission state exactly which programmes have been funded in Northern Ireland?

Answer

In application of the supplementary measures in favour of the United Kingdom, the Community has provided the following contributions for investments envisaged in sub-programmes constituting an integral part of the special programme for Northern Ireland:

Roads	73.0 million ECUs
Railways	5.7 million ECUs
Mains water supplies and drains	42.6 million ECUs
Prefabricated factories	4.7 million ECUs
Land reclamation	0.8 million ECUs
Telecommunications	116.4 million ECUs
Housing	132.7 million ECUs

The total financial contribution for Northern Ireland, based on Council Regulation (EEC) No 1744/80 of 27 October 1980² concerning supplementary measures in favour of the United Kingdom amounts to 375.9 million ECUs. Of this total, 165.95 million ECUs was granted in 1981, and 209.94 million ECUs in 1982.

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Question No 45, by Mr Lalor (H-690/82)

Subject: EEC aid for Community programmes

Does not the Commission agree that an ever-closer union among the peoples of Europe could be achieved if EEC aid were to be granted to organizations such as the Irish Council of the Community Games and the Danish Youth Organization who organize exchange visits for young people involving educational, social, cultural and sporting activities, but who are faced with considerable difficulties resulting from increased travel costs and that such exchange schemes, if promoted by the EEC between all the Member States, would benefit the entire European Community?

Answer

The Commission shares the view that the exchange of young people between countries results in an increased understanding between the young people concerned, and is thus a direct contribution to an ever-closer union among the peoples of Europe. It is clear that cost factors play an important part in determining the number of exchanges between different countries and that countries geographically widely separated will be disadvantaged in consequence.

¹ OJ 1-286/82, p. 95.

² OJ L 284 of 29. 10.1980, p. 4.

The Commission does not at present have any funds out of which exchanges of the type mentioned by the Hon. Member could be supported; and indeed, in view of the enormous number of such exchanges and visits that happen each year, it is unlikely that the Commission could ever make a direct contribution to exchange programmes generally. However, the Commission's services are at present examining the possibility of Community support for youth exchanges, in the context of the Resolution on Youth Activities approved by the European Parliament on 6 April 1981 and hope to make proposals in the sector in due course.

The sole activity which the Commission has at present in the exchange sector is the 2nd Joint Programme for the exchange of young workers. This programme is aimed at increasing young workers' awareness of working and social conditions in other Member States, and at completing their vocational training, not only with a view to improving their employability, but also to facilitate the free circulation of workers within the Community. It is the Commission's present view that, in order to extend the programme to an appropriate level, Member State governments (and employers) should take a more active part in its development, not least in terms of strengthening the existing financial structure. While the progress to-date of the 2nd Joint Programme, in comparison with the 1st Programme introduced in 1964, is significant, the limited budget available, from which existing exchanges are funded almost 100% by the Commission, clearly points to the need for new initiatives. The Commission for its own part will, of course, continue its efforts to develop and improve the programme as far as possible, within the budget available to it.

On the specific point raised by the Hon. Member concerning the Danish Youth Council, a meeting has been arranged to discuss the possibility of this organization becoming an approved 'promoting body' for the carrying out of exchanges under Art. 3 of the Council Decision of 16th July 1979 establishing the 2nd Joint Programme.

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Question No 47, by Mr Pedini (H-704/82)

Subject: Steel industry

On 8 January 1983, the Italian Minister of Industry attended a meeting in Milan, Lombardy, at which he complained that the cuts in production imposed by the ECSC fall mainly on the private sector and that the Italian public sector steel industry is in a privileged position in that — according to the Minister — it is the main beneficiary of the state contributions specified in Article 20 of Law No 46.

Is this an accurate description of the facts and, if so, does the Commission not intend to take this into account when calculating the production cuts imposed on the Italian market and does the Commission see this situation as a distortion of competition on the Italian domestic market which would have a detrimental effect on technological innovation in which both private and public steel industries are involved and to which both are equally committed in an effort to restore competitiveness and protect jobs?

Answer

1. The production cuts imposed by the Commission on Community enterprises pursuant to Article 58 of the ECSC Treaty are determined on an equitable basis and do not discriminate between the private sector and the public sector.

The levels of the individual quotas allocated to each enterprise are in fact based exclusively on the reference output levels of the enterprise in question and the general rates of reduction.

These two factors are determined according to objective, uniform methods applied to all enterprises.

Nevertheless, the elements of flexibility that have been built into the system — largely to allow for the circumstance of any small enterprises placed in serious difficulties by the limitations imposed — represent a relaxation whose benefits are readily available to the private sector, to which most such enterprises belong.

2. Article 20 of Law 46/82 to which the honourable Member refers makes provision for priority to be given in the granting of subsidies for dismantling to enterprises having a solid-charge productive cycle (electrical furnaces and open-hearth furnaces). Since this type of installation is much less widespread in the public or quasi-public sector than among private producers, the latter should be the main beneficiaries of the advantages associated with implementation of this Law.

In connection with the proceedings brought against the Italian Government's planned aid schemes for both public and private steel producers, the Commission is determined to secure a substantial contribution from the Italian steel industry as a whole to the rationalization measures undertaken on the Community market; at the same time it is concerned to ensure that the restructuring which each producer is being required to undertake is able to bring an early return to viability without need for external aid, so that the reductions in productive capacity should be made primarily by those enterprises which have the most obsolete installations and are recording the heaviest losses or receiving the largest amounts of aid. There is no discrimination in this respect between public enterprises and private producers.

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Question No 49, by Mrs Pruvo (H-745/82)

Subject: Violation of Council Regulation 1612/68 relating to the free movement of workers within the Community

What can the Commission do, apart from invoking the legal status of workers, to ensure that the principle of non-discrimination is respected, in view of the fact that it is being blatantly violated at present by the Belgian authorities who impose exorbitant annual enrolment fees on persons from other Community countries studying in Belgium? Furthermore, how can it allow nationals of developing countries, in whose favour it is pursuing an active policy of support, to be compelled to obtain scholarships from their country of origin instead of being treated with a certain benevolence by the Belgian authorities?

Answer

The honourable Member's question concerns a very difficult area of policy which spans matters both within and outside the Community's competence. Whatever view we in the Commission hold of measures in the educational field which discriminate against non-nationals, we have a *locus standi* only on a limited number of aspects and our legal capacity to act is accordingly limited.

The situation of foreign students in Belgium can be examined having in mind three different categories:

- children (pupils and students) of parents, or guardians, working in Belgium;
- students, resident in a Member State, but enrolling in Belgian establishments for study purposes;
- students from third countries whose parents or guardians are not resident in Belgium.

For the first category, equality of treatment with Belgian nationals is in principle granted to all. Nevertheless, in the framework of Regulation No 1612/68, the Commission has already opened one infringement procedure and other possible infringements are still under scrutiny.

For the second category, the Commission cannot say that any Community law is being infringed. Nevertheless, the Commission considers that in the wider perspective of the Treaties, EC students who wish to pursue part or the whole of a course in another Member State, should not be prevented from doing so by the application of various techniques, such as high enrolment and tuition fees in Belgium, or *numerus clausus* procedures and intensive language examinations as in other countries.

These are a serious obstacle to the implementation of a policy of enlarged mobility of students in the EC, the principles of which were adopted by the Ministers of Education of 27 June 1980.

For the third category, the new negotiations for the renewal of Lomé II tend to highlight cultural cooperation, and the question of students is at present being carefully examined by various joint ACP/EEC working bodies. The Commission will determine its position in due course.

As regards the interests of developing countries outside the scope of existing EEC/third country agreements, the Commission will certainly favour the same approach aimed at facilitating the education of a certain number of those students, according to the needs of sending countries.

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Question No 52, by Mr Adam (H-563/82)

Subject: Specific element of tobacco taxation

Will the Commission give an estimate of the date at which the minimum figure of 5% laid down in Directive 77/805/EEC will be achieved and are the Commission satisfied with their progress bearing in mind that the operative date was laid down as 1 July 1978?

Answer

Since 1 July 1978, the Member States have, with the exception of Italy, applied the provision of Directive 77/805 which stipulates that the amount of the specific excise duty on cigarettes must represent at least 5% and not more than 55% of the total tax burden consisting of VAT and the fixed and variable excise duty components.

Because Italy applies a specific component below 5% the Commission was obliged to start infringement proceedings against that Member State. In its judgement of 7 December 1982 in Case 41/82 the Court of Justice found Italy in breach of this requirement.

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Question No 53, by Mr Moorhouse (H-759/82)¹

Subject: State aids for air transport

1. What action does the Commission propose to adopt or execute in order to apply the rules on State aids (Articles 77 and 92 to 94) to air transport? If so, when does it expect to take such action?

2. How does the Commission envisage the application of the State aid rules to air transport, and will the exception in Article 77 apply?

¹ Former oral question without debate (O-133/82), converted into a question for Question Time.

3. Will the Commission give details of all national aids given to airlines operating in the Community, and the number of those that have been notified to the Commission?
4. Will the Commission give figures of the number of State aids that it found to be in accordance with, and contrary to, the rules as laid down in Articles 77 and 92 to 94?

Answer

The Commission believes that the actual supervision of State aids to air transport forms an important part of the general air transport policy of the Community. It cannot of course replace such a policy as it cannot create all the market conditions necessary to check State aids as such. It is clear, however, that if the rules on State aids are not conscientiously adhered to, then increasing competition among airlines can lead to State financing, in other words a subsidies war.

As regards the specific questions put by the honourable Member:

1. May I remind the honourable gentleman that the Treaty articles on State aids (Articles 92-94) are applicable to air transport in the same way as to other sectors of the economy without implementing regulations being called for. On the other hand Article 77 is not applicable to air transport because of the provisions of Article 84 para. 1. Although Article 77, or provisions based on it, could be applied to air transport by means of a Council decision pursuant to Article 84, para. 2, the Commission believes that in the present circumstance Articles 92-94 form a suitable framework for examining aid to air transport. The Commission, however, will keep a close eye on this affair.

Since the regulations on aid are applicable, the Commission has already retained them. However, it is only if the Member States fulfil their duty to report aid pursuant to Article 93, para. 3 that the Commission can ensure complete application of the aid regulations.

The Commission reminded the Member States in July 1980 of their obligations in this field.

2. The Commission will continue to apply the aid regulations to individual cases reported to it or which otherwise come to its notice.

If, however, the Commission learns of cases of failure to report aids, then it will use all its authority to put an end to that failure. Since very few cases of aid were reported in the past, the services of the Commission held a number of meetings with experts from the Member States in 1981 and 1982 in order to investigate jointly State aids in the air transport sector. This provided the Commission with a general view of aid granted in this sector. Following these meetings the Commission will soon instigate a study with the Member States on all aid to airlines.

Furthermore, the Commission will in the near future consider drawing up some general guidelines on assessing specific State aid.

3. Since few aids to airlines have been reported, the Commission does not have the information sought by the honourable Member. In addition, the Commission is bound to respect the confidentiality of information received from the Member States.

I can, however, inform you that in 1982 one Member State notified the Commission of aid granted, and that a complaint was also received about State aid to an airline.

The Commission made no objection to the granting of State aid in three other cases. It has at no time decided to refuse approval of aid to an airline.

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Question No 55, by Mr de Ferranti (H-662/82)

Subject: Nail plates used in house construction

What progress is being made towards removing technical barriers to trade by the establishment of common standards and mutual recognition of testing procedures for nail plates used in house construction?

Answer

On 30 November 1978 the Commission submitted to the Council an outline directive on building materials. As is well-known, this directive has not yet been adopted, chiefly because hitherto several Member States have not found it possible to agree to delegate the issuing of the specific directives to the Commission, pursuant to Article 155 (IV) of the EEC Treaty. Specifically because of this politically important aspect, in its communication to the European Council the Commission declared this outline directive on building materials a priority of the Council's internal market activities.

The implementation by the Council of Ministers of Article 155 (IV) will serve as a crucial test of the Community's decision-making powers in internal market questions. If in spite of repeated requests by the Heads of State and Government, the Council still cannot bring itself to delegate to a large extent the technical details of a matter such as the harmonization of building materials, it would be proving that the Community is unable to make any real and prompt contribution to the solution of economic problems. A Community in which ten foreign ministers demanded the right to adopt specific directives on nail plates personally would reap public ridicule and deprive the Commission of a part of its executive function and, moreover, be announcing the bankruptcy of the necessary technical harmonization measures.

The Commission will therefore make every effort to ensure that, pursuant to the instructions given it by the European Council in Copenhagen in December 1982, the Council takes a decision on this matter too in the course of the first six months of 1983.

Indeed, the nail plates referred to here for joining wood should be the subject of an individual Commission directive. That is why the Commission has meanwhile drafted the technical documents for all the individual directives, which the industry also considers essential in order to reduce the technical barriers to trade. In 1979, for instance, it drew up a technical document on nail plates as a means of joining wood together with the European Union for the Agrément in the building industry.

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Question No 56, by Mr Seligman (H-685/82)

Subject: Labelling of energy consuming machinery

What are the results to date in each Member State for the more efficient use of energy of the directive on labelling of energy consuming appliances?

Answer

1. On 14 May 1979 the Council adopted Directive EEC/530/79 concerning information on energy consumption by way of labelling of the following domestic appliances:

- water-heating appliances,
- ovens,
- refrigerators and freezers,
- washing machines,

- television sets,
- dishwashers,
- tumble dryers,
- irons.

On the same occasion the Council adopted Directive EEC/531/79 applying the above framework Directive to electric ovens.

2. These Directives have thus far been incorporated into the laws of Denmark, France and Italy.

Belgium has issued a framework directive on labelling, although without specifying its applicability.

In France labelling is compulsory not only for ovens but also for refrigerators, freezers, washing machines, dishwashers, television sets, vacuum cleaners, immersion heaters and geysers.

3. It will be recalled that on 21 May 1980 the Commission submitted to the Council three draft directives concerned with the energy-consumption labelling of refrigerator-freezers, washing machines and dishwashers. These are under discussion in the Council.

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Question No 57, by Mr Newton Dunn (H-687/82)

Subject: Cheap butter at Christmas

What proportion of the EEC subsidized butter bought by Community citizens around Christmas 1982 went for an increased consumption of butter?

Answer

The 1982 'Christmas butter' scheme has not yet been completed in all Member States; it is therefore not yet possible to know the results.

As for previous sales of 'Christmas butter', the additional consumption would have been roughly 30% of the quantities sold under these schemes.

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Question No 58 by Mrs Squarcialupi (H-689/82)

Subject: 8 March, Women's Day

The practice of marking 8 March as Women's Day is becoming more and more widespread in the Community countries. Has the Commission any plans in future to organize special events to focus the attention of public opinion and the institutions on the present situation of European women (who form the greater part of the Community's population), preferably by taking specific initiatives such as reducing working hours, which could contribute to improving the situation of women, especially at a time of crisis?

Answer

The Commission understands the importance of demonstrations such as those mentioned by the honourable Member.

The Commission has already focused attention on this matter in its New Community Action Programme on the promotion of equal opportunities for women 1982-1985¹ where it aims to increase the awareness of the general public and those most directly concerned with regard to positive aspects of a change in attitudes towards women. Measures are also taken to ensure compliance with the Community directives on equal opportunity 75/117, 76/207 and 79/7/EEC.

For the most part special programmes or 'days' following a certain theme are instigated by national movements or pressure from organizations in the Member States. This will not, however, prevent an examination by the Commission of the possibility of encouraging and initiating information activities within the scope of Community actions and policies on equal opportunity for women.

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Question No 59, by Mrs Poirier (H-695/82)

Subject: Improvement of Community rules on fruit and vegetables

Does the Commission intend to take account of the resolution adopted on 16 June 1982 on the basis of the Maffre-Baugé Report (Doc. 1-279/82) when finalizing its 1983-1984 farm price proposals in the fruit and vegetables sector?

Answer

In the proposals that it has submitted for fruit and vegetable prices, the Commission has not overlooked the resolution adopted on 16 June 1982 by the European Parliament on the basis of the report by Mr Maffre-Baugé, but it does not believe that it will be possible at this stage to comply fully with this resolution.

In the opinion of the Commission there is no justification for increasing the intervention prices of fruit and vegetables by more than the amount adopted as a guideline in the proposals for agricultural prices.

Moreover, inclusion of new products in the intervention system — to which, it will be remembered, apricots and aubergines were added for the last marketing year — would inevitably lead to an increase in expenditure, which is to be avoided in the general economic circumstances.

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Question No 60, by Mr Pranchère (H-696/82)

Subject: Restrictions on timber imports into France after the storm in November 1982

The violent storm which hit many areas in the South of France on 6 and 7 November 1982 caused considerable damage to forests. The volume of trees felled exceeds ten million cubic meters.

To prevent a collapse of price levels on the market and enable the ruined timber to be sold off on satisfactory terms, does the Commission not intend, in agreement with the French Government, to propose restrictions on timber imports into France?

¹ COM(81) 758 final.

Answer

The Commission is aware of the problem raised by the honourable Member. That is why immediately after learning about the considerable damage caused to French forests by the hurricane of 6/7 November 1982, it submitted to the Council a proposal for temporary quantitative restrictions on imports of certain types of timber to France. The Council approved this proposal on 24 January. Its purpose is to promote the sales of the additional timber quantities resulting from the storm, in view of the rather inflexible market situation.

The import restriction applies for the year 1983 and to a quantity of 1 750 000 m³.

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Question No 63, by Mr Skovmand (H-728/82)

Subject: Subsidies on olive oil

To judge from information that has emerged in connection with the Italian olive scandal, it appears that larger subsidies are being paid on olive oil than has hitherto been allowed for. Against this background, will the Commission make a fresh calculation of how many thousand million kroner Spain's accession to the Community will cost farmers in the other Community countries?

Answer

The Commission wishes to stress that the recent information on possible frauds in the olive oil sector is based on the large quantity of olive oil in respect of which production aid has been applied for, not on the amounts of aid actually paid. At the Commission's request, the national authorities concerned have tightened their controls in order to avoid unwarranted payments of production aid.

The estimates of expenditure in the olive oil sector resulting from the accession of Spain and Portugal are based on the production and marketing statistics. Since the Commission considers that these States are in a position to apply the Community rules in the manner intended, there is no call to revise these estimates to take account of the possibility that frauds might occur.

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Question No 65, by Mr Wedekind (H-776/82)¹

Subject: Differing technical and postal regulations for radio equipment and similar products within the Community

Is the Commission aware that, owing to differing technical and postal regulations for radio equipment and similar products within the Community, free movement of goods is not possible and what measures has the Commission hitherto taken to achieve standardization of these regulations, thereby allowing a common market to be created?

Answer

I welcome the honourable Member's question since it gives me an opportunity to discuss an area which is always giving rise to complaints.

¹ Former oral question without debate (O-155/82), converted into a question for Question Time.

Differing technical and postal regulations for radio equipment occur, among others, in the field of CB radio. It has been pointed out repeatedly to the Commission that the owners of CB radio encounter difficulties when they cross frontiers.

The Commission has examined these complaints from the point of view of whether the rules on CB radio in force in the Member States comply with Articles 30 to 36 of the EEC Treaty, since the effect of some of these rules is that radio equipment may cross border only under customs seal. As far as we can tell at present — no final decision has been taken yet on the complaints — it will probably be difficult both legally and practically to accept arguments based on Article 30.

One way out of the dilemma is to attempt to standardize the existing rules.

In fact, the border difficulties are due to the fact that in the past the 27 MHz range frequencies set aside for CB radio were put to different uses in the different Member States.

On a proposal from the Commission, the European Conference of Post and Telecommunications Administrations (CEPT) drew up a draft recommendation T/R 20-02 in January 1983 which is likely to facilitate the standardization of equipment and the freedom of movement of owners of CB radios from one Member State to another. Formal approval of the draft recommendation by the CEPT's Committee T is expected in September 1983.

A similar problem arises for mobile telephones (but only in that a car telephone taken over a border simply may not be used any more once on the other side).

The CEPT has found in fact that because of the existing differences in equipment and in the use made of frequencies, it is impossible to set up a common European network for mobile radio telephones in the 150 MHz frequency range; the CEPT decided therefore to consider the feasibility of such a network in the 900 MHz range.

To this end the CEPT formed a special group to consider mobile telephone services (GSM). The initial results of the activities of this group are expected early in 1986. The telecommunications administrations have stated that they intend to introduce mobile systems in the 900 MHz range in 1985 or 1986. The introduction of the European system is not expected until the 1990s, however. So the GSM must determine the framework data of the eventual European system as soon as possible, so that the national administrations can study this data as soon as the intermediary system is introduced.

Leaving aside these two specially characteristic cases, the equipment referred to by the honourable Member falls within the scope of two proposals for directives which the Commission submitted to the Council under the General Programme of 28 May 1969 on abolishing technical barriers to trade.

The first proposal, on security rules, was adopted by the Council on 19 February 1973. It is Directive No 73/23/EEC¹ on electrical equipment for use within certain voltage limits, referred to in short as the low-voltage directive.

Furthermore, on 24 April 1973 the Commission forwarded to the Council a proposal for a Council directive² on the harmonization of the technical rules on radio interference by sound and television broadcasting receivers.

Although this proposal has now been before the Council for nearly ten years, no agreement has yet been reached on it.

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¹ OJ L 77 of 26. 3. 1973, p. 29.

² COM(73) 569 and OJ C 90 of 26. 10. 1973, p. 2.

Question No 68, by Mr Welsh (H-752/82)

Subject: Diary of the Commissioner responsible for Regional Policy

Does the Commissioner for Regional Policy plan to visit the Country of Lancashire in the United Kingdom during 1983?

Answer

In my capacity as Commissioner responsible for Regional Policy, I have already had occasion in the past to visit Lancashire, and I continue to keep in constant touch with the authorities of that region.

No visit is at present planned, but this does not exclude that such a visit may be arranged, when other commitments permit.

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Question No 69, by Mr Lomas (H-761/82)

Subject: Bias in favour of American multinational

Will the Commission tell why it accepted a tender for the protection of glass surfacing of the Berlaymont building from an American multinational corporation, whose product had been tested by the US Government's National Bomb Data Centre and found inadequate, when there was a tender for a superior product from a European company?

Answer

The Commission would first of all point out that the test referred to in the question was carried out in 1973 on a former version of the glass which has now been withdrawn. The product tendered for and accepted by the Commission in this particular case fully conforms to the Commission's requirements from the security point of view.

The Commission followed all required procedures in this matter and chose the tender offering the lowest price for the quality required. This tender was presented by a firm called 3M Belgium and there was a clear price difference between its offer and those of the other firms which tendered.

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Question No 71, by Mr Key (H-768/82)

Subject: Olive oil

Does the Commission consider that its information offices (in Brussels and elsewhere) are providing an adequate service in informing the general public of the policies and responsibilities of the Community?

Answer

The Commission ensures through its central services in Brussels and through its press and information offices elsewhere that the public is informed as much as possible about the activities of the Community.

In view of the limited staff and finance available, however, information to the general public is necessarily restricted.

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Question No 73, by Mr Rieger (H-773/82)

Subject: Community authority to take action in the area of foreign policy

In the External Relations section of the Commission's Programme of Work for 1983 it is proposed that a Community legal instrument should be created to enable an action to be brought when international law is violated by third countries. Can the Commission say why it is making this proposal and in what cases it envisages application of the instrument?

Answer

In accordance with the commitment that it gave in the outline programme for 1983, the Commission has recently proposed to the Council a new instrument for the protection of trade designed to respond more promptly, more effectively and with a wider range of measures than in the past to any unfair trade practice by a non-member country which is prejudicial to Community industry, whether pursued on the Community market or on other markets. In the Commission's view, the instruments available to the Community for the protection of trade — anti-dumping procedures, anti-subsidy procedures, monitoring and protective measures — needed to be supplemented in this manner.

The proposal submitted by the Commission on 1 March 1983 has been forwarded to the European Parliament, which will thus have an opportunity to state its position on the matter.

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Question No 74, by Miss Quin (H-779/82)

Subject: Visit of Commissioner Haferkamp and Commissioner Davignon to Japan

During their visit to Japan in February, did the Commissioners discuss the subject of shipbuilding and if so, what was the outcome of their discussions?

Answer

1. During the visit of Vice-Presidents Haferkamp and Davignon to Tokyo in February 1983, the bilateral discussions with Japan touched on the three principal aspects of the EC/Japan relations:

- i) opening the Japanese market;
- ii) moderation of Japanese exports of certain products to the Community;
- iii) EC/Japan cooperation in industry, science and technology.

2. Shipbuilding is an important problem concerning the balance between production capacity and demand worldwide. This problem features regularly on the agenda of EC/Japan high level consultations which are held twice per year. However, our experience shows that it is best treated on a multilateral basis, and therefore the subject was not discussed in detail in February.

3. In the OECD there is a working group on shipbuilding (working group No 6). Several agreements have been reached through this group including a general agreement of

progressive reduction of barriers to normal conditions of competition; and general guidelines for government policies in the shipbuilding industry. There is also an agreement on export world market. The next meeting of the OECD group is due to be held on 9 and 10 March.

4. During the same visit to Tokyo, the Quadrilateral Meeting took place on 11 February between the Community, Japan, USA and Canada. This meeting included a discussion on the trade situation in general but did not examine the problems in particular sectors.

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Question No 75, by Mr Clinton (H-791/82)

Subject: UK variable premium scheme

Since the fall in the value of sterling and the drop in cattle prices in the United Kingdom, the operation of the variable premium scheme in the UK for cattle exports is effectively resulting in the subsidization of exports. This is creating a serious distortion of trade and competition.

The present situation allows cattle to be dumped on the Irish market by Northern Irish exporters who are subsidized by the variable premium scheme. This has grave implications for an industry which has already been badly hit by the effects of the economic recession.

Will the Commission please state whether it has considered emergency measures to remedy this situation, and what action it proposes to take over the long term to ensure that artificial distortions to the livestock trade are eliminated?

Answer

About 63% of Ireland's beef exports go to Community destinations and over 60% of these go to the UK. They are consequently eligible, if the quality is appropriate, to benefit from any variable premium payable. Therefore the Irish exporter derives substantial benefit from this premium.

The premium is not paid on live animals in Northern Ireland and therefore the allegation that Northern Irish cattle exporters are dumping cattle on the markets in Ireland is incorrect.

The Commission is concerned that at all times fair competition should exist. It is reasonably satisfied that, taking into account the 52 weeks of the year and the effect of the variable premium on all 10 Member States in the Community, there is no need for emergency measures at the moment.

As regards the long term the Commission is continuing its study with a view to introducing a single premium system throughout the Community.

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Question No 76, by Mr Curry (H-792/82)

Subject: Use of canthaxanthin as an additive in feeds for salmon and trout

When does the Commission propose to authorize the use of canthaxanthin as an additive in feeds for salmon and trout, under Annex I to EEC Directive 79/524¹, in line with the

¹ OJ L 270, 4. 12. 1970, p. 1.

favourable opinion expressed by the Scientific Committee for Animal Nutrition on 14 December 1982?

Answer

The Commission's services have prepared a draft directive aimed at authorizing, subject to certain conditions, the use of canthaxanthin as an additive in feeds for trout and salmon with a view to heightening the flesh colour of these fish.

In accordance with the procedure governing the authorization of additives, these proposed measures will be submitted to the Standing Committee on Animal Feedingstuffs for its opinion. The next meeting of this committee will be held on 16 March 1983.

The Commission will then decide, on the basis of the opinion delivered by the Standing Committee, what measures are to be taken with regard to the conditions under which this additive may be used.

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Question No 77, by Mr Woltjer (H-798/82)

Subject: Herring fishing

Is the Commission prepared to do its utmost to ensure that a decision on herring fishing in the central area of the North Sea is taken by 1 May 1983 so that, in the event of an affirmative decision, fishermen are able to meet the great demand for 'maatjes' herring?

Answer

The Commission is prepared to do everything in its power to ensure that a decision on herring fishing in the central area of the North Sea is taken at the earliest opportunity.

The honourable Member's attention is drawn to the fact that the Commission has to base its decision on the available scientific opinions. Moreover, since the herring stock in the North Sea is a mixed stock, its management requires an agreement with Norway which takes account of the relevant scientific opinions.

The working party of the International Council for the Exploration of the Sea responsible for examining the herring stock in the North Sea is meeting from 9 to 18 March 1983. However, the official scientific opinion of the ICES will not become available until after the meeting of the committee for opinions on fisheries management scheduled for 10 to 19 May 1983.

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Question No 78, by Mr Hume (H-799/82)

Subject: Commission's response to Parliament's Resolution on Community Regional Policy and Northern Ireland

Will the Commission state what has been its response to the proposals contained in the Martin report,¹ adopted by Parliament in June 1981,² on Community Regional Policy and Northern Ireland?

¹ Doc. 1-177/81.

² OJ C 172 of 13. 7. 1981.

Answer

Following the Martin report¹ and Parliament's Resolution of 13/7/1981² the Commission sent a draft regulation to the Council — as a first step — concerning a specific action to aid housing in Northern Ireland, as part of an integrated operation in Belfast.³

Because of the opposition of certain Member States, it was not possible to reach agreement within the Council on that proposal, and the Commission therefore sought an alternative solution to the above proposal, which would have similar results for the population of Belfast.

This alternative solution has just been adopted by the Commission in the form of a draft regulation that will be communicated immediately to the Council.

In addition the Commission, as already announced, is examining the possibility of a new specific action under the 'out of quota section' of the European Regional Development Fund. It also expects to prepare a budget for Community intervention in favour of the region in question, and, on this basis, to prepare an overall, more complete response to the above-mentioned resolution.

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Question No 79, by Mr Antoniozzi (H-800/82)

Subject: Withdrawal of Commission proposals

Can the Commission indicate how many proposals it has withdrawn as being no longer topical (see PE 82.919, point 3), which proposals are involved and the real reasons for the withdrawal? Since one is to assume that the proposals put forward were relevant, who was responsible for the delay or failure to consider the proposals on time?

Answer

The honourable Member refers to a number of proposals which were withdrawn by the Commission last December. Detailed information on these proposals (document numbers, titles etc.) was forwarded to the President of Parliament at the time.

Each year the Commission examines all proposals which are pending to check whether or not they are still topical, since various events or circumstances can cause a proposal to lose its topicality. In many cases a fresh proposal on the same subject is submitted.

There are many reasons why it takes time (with the attendant risk of loss of topicality) for some proposals to be examined — not only by the Council, but also by the European Parliament — and if I were to enumerate them in full I would exceed the time allotted to me. I would merely confirm that in many cases the delay is attributable to the technical complexity of the matters under consideration and the fact that the institutions' time is sometimes taken up by priority business, and not only to failure to agree on matters of substance.

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¹ Doc. 1-177/1981.

² OJ C 172 of 13. 7. 1981.

³ OJ C 346 of 31. 12. 1981.

Question No 80, by Mr Treacy (H-803/82)

Subject: Outcome of London Convention on the dumping of nuclear waste

Was the Commission represented at the present London Dumping Convention, and, if so, in what capacity? Will it report on the outcome of this meeting, particularly in relation to the discontinuing of the dumping of nuclear waste off the Irish coast?

Answer

Mr Treacy's question gives the Commission a welcome opportunity to draw special attention to the general significance of the 1972 Convention on the prevention of marine pollution caused by the dumping of waste, the so-called London Convention.

This Convention applies to all the maritime waters — excluding internal waterways — of the states. In this context the term 'dumping' refers to:

- all forms of deliberate disposal at sea of waste or other matter from ships, aircraft, platforms or other structures erected at sea;
- all forms of deliberate sinking at sea of ships, aircrafts, platforms or other structures erected at sea.

For the purposes of implementing this Convention, waste was divided into three categories:

- the waste or other matter listed in Annex I which may not be dumped;
- the waste or other matter listed in Annex II which may be dumped only subject to special prior authorization;
- all other waste or matter the dumping of which is subject to prior authorization.

Highly radioactive waste comes under the waste listed in Annex I. All other radioactive material comes under Annex II.

The London Convention was submitted for signature from 29. 12. 1972 until 31. 12. 1973 and entered into force in August 1975. All Community Member States signed the Convention: however, Belgium, Luxembourg and Italy have not yet ratified it.

The Commission has observer status under the Convention. It took part in this capacity in the seventh meeting of the contracting parties held in London from 14 to 18 February 1983.

Specifically as regards the dumping of radioactive waste, the seventh meeting considered a proposal to amend Annexes I and II of the Convention. This proposal was tabled by the governments of Kiribati and Nauru (Micronesia) and was aimed at banning all forms of dumping radioactive waste. But several states regarded the scientific basis of this proposal as questionable and as not justifying any change in the existing situation.

After a fairly lengthy discussion a resolution tabled by Spain was therefore adopted; it called on the contracting parties to refrain from dumping radioactive waste for a period of two years and to carry out during this period an in-depth scientific investigation into the effects of dumping this waste on man and the environment.

The adoption of this resolution did not modify the Convention as such. Nor does the resolution impose any legal obligation on the contracting parties, although it does exert a fairly considerable pressure on them to refrain in future from dumping radioactive waste.

The Commission is prepared, where appropriate, to provide further information as soon as the official report on the seventh meeting of the contracting parties to the London Convention is available.

May I also point out that the sinking of waste of low radioactivity in the Atlantic is carried out on a site 700 km away from both the Irish and the Spanish coast.

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Question No 81, by Mr Pattison (H-804/82)

Subject: Promotion of development of native energy resources

What measures and policies exist at Community level for the promotion of the development of native energy resources — such as coal — and to what extent have the Irish authorities availed themselves of any existing measures?

Answer

1. Even before the first oil crisis, the Community was seeking to set up instruments for the promotion of the development of indigenous energy resources.

The first measure proposed by the Commission was that introduced under Council Regulation (EEC) No 3056/73 of 9 November 1973 to encourage activities in the field of technological development directly connected with oil and gas exploration, exploitation, storage and transport. In 1974 the Commission submitted a second draft containing proposals for aid to be granted for exploration with a view to reducing the dependence of the Community on imported oil. It was not until 1979 that the Council accepted the Commission's proposal for support for a joint project to explore for oil and gas in Greenland, whereas Parliament had secured appropriations for this purpose in the budget for 1977.

Since the 1976 financial year, at the Commission's request, the budget has included appropriations opened by the Parliament to finance prospecting for uranium resources on Community territory. There have been no commitment appropriations for this activity since 1981.

In a further move to promote development of indigenous energy resources and to encourage industrial and private consumers to conserve energy, in 1979 the Council, acting on a proposal from the Commission, launched two aid programmes for demonstration projects. The first of these is concerned with the provision of finance for projects to demonstrate new techniques, processes, materials or products whose use makes for energy savings. The second makes provision for financial contributions from the Community towards the costs of demonstration projects or pilot installations using new techniques or technologies in the exploitation of three alternative sources of energy; geothermal energy, solar energy, and solid fuel liquefaction and gasification.

In the coal sector, since 1967 the ECSC has been supporting the extraction of coking coal so as to maintain a minimum level of production and to secure Community supplies of coke for steelmaking. With the outlook for stabilization in coal output, the ECSC can grant loans at subsidized interest rates, but only for investments connected with shafts and works underground.

2. Since it joined the Community, Ireland has had access to the support available under these measures. Ireland has received aid for demonstration projects, notably in the solar energy field and also in those of energy conservation, technological development in the hydrocarbons sector and prospecting for uranium.

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Question No 82 by Mr Denis (H-807/82)

Subject: Preparation for the next UNCTAD conference (Belgrade, June 1983)

Can the Commission specify the proposals it will put forward in preparation for this conference, given what is for the developing countries the catastrophic state of the raw materials market, and particularly in the light of the programmes on this subject devised by the UNCTAD secretariat, which cover the conclusion of commodity agreements, provisions for storage and mechanisms to regulate supply?

Answer

In January the Commission forwarded to the Parliament a communication, references COM (82) 803 final, on preparations for the next United Nations Conference on Trade and Development, which is to be held in Belgrade in June and July 1983. This document, which the parliamentary committee will have had an opportunity to examine in the meantime, deals specifically with raw materials; it is currently under discussion with the Member States and in the various gatherings making preparations for the conference. The Committee on Development has made plans for an own-initiative report on the subject, which will provide the basis for a more thorough debate in Parliament.

The Commission will take account of the views expressed at these various gatherings, including the meeting of the Group of 77 in Buenos Aires, when, before the end of April, it draws up a detailed proposal for the position to be taken by the Community at the Belgrade conference.

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Question No 83 by Mr Del Duca (H-808/82)

Subject: Application of Directive 77/486/EEC¹ on the education of the children of migrant workers

In one of the municipal districts of Brussels, it was recently decided to close ten out of the eighteen primary schools from next September onwards. This decision, if implemented, would principally affect the children of immigrants, who make up 93% of the pupils in the schools concerned by the measure. Does the Commission not believe that such a decision is in breach of Directive 77/486/EEC on the education of the children of migrant workers?

Answer

The possible closing of a certain number of schools in the commune of Schaerbeek will not in any way remove the obligation to provide tuition for children whose parents or guardians are legally resident in Belgium.

In addition, Directive 77/486/EEC on the education of the children of migrant workers requires the education authorities to provide free tuition to facilitate initial reception and to promote, in coordination with normal education, teaching of the mother tongue and culture of the country of origin.

The Commission will follow developments closely.

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¹ OJ L 199 of 6. 8. 1977, p. 32.

Question No 84 by Mr Alavanos (H-810/82)

Subject: Application of Article 130 of the Treaty of Accession of Greece to the EEC

Following a request by the Greek Government for protective measures to be applied to 22 imported products primarily in the agricultural sector which has been particularly affected by imports following accession, the EEC Commission agreed to protective measures only in respect of 11 products (representing less than 1% of the total volume of imports) for a limited period of time and the method of calculation used was based not on import figures for 1980 (the last year prior to accession) — as the Greek Government had requested — but on 1982 figures.

Can the Commission state why it has seriously weakened the impact of the measures of Article 130 of the Treaty of Accession for all the categories of products requested by the Greek Government at a time when a huge volume of imports of goods from the EEC or third countries with preferential agreements has had a very adverse effect on the Greek economy?

Answer

The Commission gave its final verdict on the requests of the Greek Government of 13 and 18 January 1983 for the application of the safeguard clause of Article 130 of the Treaty of Accession in a procedural decision of 19. 1. 1983 and in two related decisions on facts of 2 February and 28 February 1983.

By the decision of 19 January 1983 the Commission authorized Greece to issue a regulation which made it possible to supervise all the products listed in the Greek requests for a period until 1 March 1983. This decision was necessary in order to collect the necessary data, failing which it would have been impossible to reach a decision on the matter. On the basis of the statistical data gradually provided by the Greek authorities and after careful examination of all factors relevant to the decision, on 2 February the Commission authorized import restrictions for 11 products and on 28 February for a further 4 products contained in the 22 categories of products listed by the Greek authorities. These products are sports shoes, furniture, tiles, tights, pullovers, men's suits, cast iron baths, basins and other sanitary equipment of porcelain, cigarettes, flour with added milk powder, spirits, sprayers, mountings, nappies and umbrellas. With the exception of two products, the vast majority of imports come from the other Member States. Only in the case of sports shoes and umbrellas have import restrictions been introduced *vis-à-vis* Taiwan. To avoid any risk of deflected trade, it was also decided to introduce a monitoring system for imports from third countries of all 15 products. This system also applies to a further small group of products, in order to give a clearer overall view of the development of some imports from third countries. All import restrictions apply until the end of 1983. The Commission supervises the implementation of the detailed provisions of these decisions. The Commission reserves itself the right, where necessary, to change or suspend the decisions. The Commission keeps in close contact with all the Member States in order, where appropriate, to examine and deal with any difficulties that might arise in the implementation of these decisions.

The safeguard clause of Article 130 permits exceptions from the principle of the free movement of goods during the transitional period until 31 December 1985, provided the stringent conditions set out in this provision are met. As regards the 15 products referred to above, the Commission has become convinced that economic difficulties within the meaning of Article 130 do exist and that the authorized measures are such as to adjust the relevant economic sectors to the Common Market economy. In the case of the other requests by the Greek Government, the Commission reached the conclusion that these conditions are not met. A careful and detailed justification on a product by product basis can be found in the texts of the decisions, which have since been published in the Official Journal.

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Question No 85 by Mr Adamou (H-812/82)

Subject: The grubbing up of vineyards in Greece

Under EEC Regulation No 456/80 wine-growers in the Nomi of Ilia, Achaia and Messinia are required to abandon the cultivation of certain traditional varieties of vine, to complete grubbing up by 31. 3. 84 and to undertake not to replant vines for a period of approximately eight years.

Since the application of this Regulation directly harms farmers in these regions and their families who live exclusively from the cultivation of vines, can the Commission state what measures it intends taking to avert these adverse consequences and to protect traditional wine-growing in the regions of Ilia, Achaia, Messinia?

Answer

Under no circumstances does application of Regulation (EEC) No 456/80(1) impose an obligation on producers to give up wine-growing. Moreover, it is restricted to vineyards situated in areas where the soil is least naturally suited to wine-growing. It is at the request of the producers that subsidies for temporary and permanent discontinuance are granted under the conditions specified in the Regulation. Consequently, there is no call for special provisions to prevent the discontinuance of wine-growing, since this is entirely a matter for growers to decide, while the subsidy is no more than an incentive and, moreover, is restricted to areas in respect of which it can be granted legitimately.

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Question No 86 by Mr Ephremidis (H-814/82)

Subject: The destruction of fruit and vegetables

Since Greek accession to the EEC in 1981 until now approximately 500 000 tonnes of fruit and vegetables have been destroyed; this undoubtedly has a damaging effect on the agricultural economy and the national economy in general and has a devastating impact on the farming population. Moreover, the compensation provided is very much lower than production costs and the level of inflation.

What steps does the Commission intend to take to deal with the consequences of the destruction of Greek fruit and vegetables on the agricultural economy and farmers' incomes especially in view of the fact that this year more than 100 000 tonnes of oranges have already been destroyed?

Answer

The Commission reminds the Honourable Member that there have always been problems with fruit and vegetable surpluses since, even if the productive potential remains unchanged, climatic conditions can be such that crops are particularly abundant or their availability is concentrated over a short period, with the result that supply outstrips demand and it becomes impossible to sell some proportion of available produce.

The Community rules have the merit, in the case of a number of products, of affording producers financial compensation for that proportion of their crops which they are unable to market at prices above a certain level.

Moreover, it has never been the intention that this financial compensation should cover production costs completely, since this would undoubtedly lead to production for the sake

of receiving intervention payments, thereby resulting in an unjustifiable increase in EAGGF expenditure.

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Question No 88 by Mr Cousté (H-820/82)

Subject: Imports of low-carbon ferrochrome into the Community

In view of Europe's heavy dependence on outside sources of energy and raw materials and the fact that Turkey has always been a regular supplier of ferrochrome to the Community via its Antalya plant (ferrochrome is an essential raw material in the production of stainless steel), can the Commission explain why it has agreed, in response to a request from a single German producer and against the advice of other countries, which are concerned to protect the general interest, to conduct an anti-dumping inquiry with respect to Turkey, at the risk of penalizing European consumers?

In these circumstances, and when the Community has agreed to many investments in Turkish industry, what led the competent Member of the Commission to take such a decision?

Answer

The anti-dumping proceeding concerning imports of low carbon ferro-chromium from Turkey and Zimbabwe was initiated following a complaint made on behalf of a Community producer whose output constitutes a major proportion of Community production. The proceeding was initiated in accordance with the provisions of Article 7 of Regulation (EEC) No 3017/79 when it was apparent, following consultations within the advisory committee provided for in that regulation, that there was sufficient evidence of dumping and injury to justify such action. At the same time notice was published of the review of price undertakings previously given by exporters of low carbon ferro-chromium in Sweden and South Africa.

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SITTING OF THURSDAY, 10 MARCH 1983

Contents

Mr Alavanos	170	<i>American agricultural products — Motion for a resolution (Doc. 1-1384/82/rev.) by Mr Fanti and Mr Glinne and others:</i>	
1. <i>Motion for a resolution (Rule 49 of the Rules of Procedure):</i>		<i>Mr Wurtz; Mr Thareau; Mr Früh; Mr Welsh; Mr Denis; Mr Maher; Mr Mouchel; Mrs Gredal; Mr Dalsager (Commission) . .</i>	187
Mr Estgen	170	<i>Electric cable link — Motion for a resolution (Doc. 1-1371/82) by Mr Sassano and others:</i>	
2. <i>Ethyl alcohol (Doc. 1-1192/82) (continuation):</i>		<i>Mr Sassano; Mr Markopoulos; Mr Bournias; Mr Seligman; Mr Ippolito; Mr Giolitti (Commission); Mr Purvis; Mr Sassano; Mr Seligman</i>	191
3. <i>Votes:</i>		<i>Snow storms in Crete — Motion for a resolution (Doc. 1-1382/82) by Mr Ephremidis and others:</i>	
<i>Mr Mouchel; Mr Provan; Lady Elles; Mr Provan; Mrs Barbarella; Mr Provan; Mr Dalsass; Mr Gautier; Mr Pranchère; Mr Mouchel; Mr Pranchère; Mr von der Vring; Mr Woltjer; Mr Cottrell; Mr Mouchel; Mr Pranchère; Mr Davern; Mr Provan; Mrs Kellett-Bowman; Mr Forth; Mr Prout; Mr von der Vring; Mr Paisley; Mr Maher . . .</i>	172	<i>Mr Adamou; Mr Bournias; Mr Dalsager (Commission); Mr Nikolaou</i>	194
4. <i>Topical and urgent debate:</i>		5. <i>Containers of liquids for human consumption — Report (Doc. 1-1187/82) by Miss Hooper:</i>	
<i>Maltese Nationalist Party — Motion for a resolution (Doc. 1-1380/82) by Mr Croux and others:</i>		<i>Miss Hooper; Mr Ingo Friedrich; Mr Collins; Mrs Seibel-Emmerling; Mr Ghergo; Mr Johnson; Mrs Scrivener; Mr Eisma; Mrs Gredal; Mr de Ferranti; Mr Berkhoutwer; Mr Narjes (Commission)</i>	195
<i>Mr Barbi; Mr Schmid; Mr Fergusson; Mr Beyer de Ryke; Mr Giolitti (Commission) .</i>	176	6. <i>Labelling and presentation of foodstuffs — Report (Doc. 1-1207/82) by Mrs Schleicher:</i>	
<i>Baha'is in Iran — Motion for a resolution (Doc. 1-1372/82) by Mr von Hassel and others:</i>		<i>Mrs Schleicher; Mrs Krouwel-Vlam; Mr Sherlock; Mr Eisma; Mr Narjes (Commission)</i>	203
<i>Mr von Hassel; Mr Habsburg; Mr Beazley; Mr Ephremidis; Mr Lator; Mr Kyrkos; Mr Narjes (Commission); Mr Barbi</i>	178	7. <i>Protection of Irish bogs — Report (Doc. 1-1188/82) by Mr Mertens:</i>	
<i>Progress in the development of the common market — Motion for a resolution (Doc. 1-1340/82) by Mr Rogalla and others:</i>		<i>Mr Mertens; Mr Muntingh; Mr McCartin; Mr Maher; Mr Lator; Mr Pattison; Mr Protopapadakis; Mr Narjes (Commission) . .</i>	207
<i>Mr von Wogau; Mr Rogalla; Mr de Ferranti; Mr Bonaccini; Mr Moreau; Mr Narjes (Commission)</i>	180	8. <i>Indicator substance in milk (Doc. 1-1175/82) (continuation):</i>	
<i>Pollution — Motions for resolutions by Mrs Seibel-Emmerling and others (Doc. 1-1367/82) and Mrs Schleicher and others (Doc. 1-1381/82):</i>		<i>Mr Buttafuoco</i>	211
<i>Mr Seeler; Mrs Schleicher; Mrs Maij-Wegen; Mrs Pawwelyn; Mr Nyborg; Mr Eisma; Mr Narjes (Commission)</i>	183	9. <i>Recycling petrodollars — Report (Doc. 1-1197/82) by Mr Purvis and oral question with debate (Doc. 1-1376/82) by Mr von Bismarck and others to the Commission:</i>	
		<i>Mr Purvis; Mr Wedekind; Sir Fred Warner</i>	212

- | | |
|--|---|
| <p>10. <i>Energy policy — Report (Doc. 1-1200/82) by Mr Percheron:</i>
 <i>Mr Percheron; Mr Linkohr; Mrs Walz; Mr Purvis; Mr Damette; Mr Galland; Mr Vandemeulebroucke; Mr Protopapadakis; Mr Veronesi; Mr Davignon (Commission); Mr Damette; Mr Davignon</i> 213</p> <p>11. <i>Innovation and technology transfer — Report (Doc. 1-1313/82) by Mrs Théobald-Paoli:</i>
 <i>Mr Bombard; Mrs Walz; Mr Seligman; Mr Veronesi; Mr Narjes (Commission); Mr Seligman; Mr Narjes</i> 220</p> <p>12. <i>Natural gas prices — Report (Doc. 1-1317/82) by Mr Moreland:</i>
 <i>Mr Moreland; Mr Beumer; Mr Herman; Mr Purvis; Mr Veronesi; Mr Davignon (Commission)</i> 224</p> <p>13. <i>Rum — Report (Doc. 1-1179/82) by Mr Hopper:</i>
 <i>Mr Hopper; Mrs Desouches; Mr Wedekind; Mrs Le Roux; Mr Hopper; Mr Deleau; Mr</i></p> | <p><i>Wedekind; Mr Deleau; Mr Enright; Mr Pearce; Mr Ortoli (Commission); Mr Enright; Mr Ortoli; Mr Enright</i> 226</p> <p>14. <i>Transfrontier transport policy — Report (Doc. 1-1205/82) by Mrs von Alemann:</i>
 <i>Mr Seefeld; Mr Albers; Mr Notenboom; Mr Gendebien; Mr Contogeorgis (Commission)</i> 231</p> <p>15. <i>Common transport policy (ports) — Report (Doc. 1-844/82) by Mr Carossino and oral question with debate (Doc. 1-1279/82) by Miss Hooper and others to the Commission:</i>
 <i>Mr Carossino; Mr Albers; Mr O'Donnell; Mr Pearce; Mr Eisma; Mr Contogeorgis (Commission)</i> 233</p> <p><i>Annex:</i>
 <i>Mr Chambeiron; Mr Moreland; Mr Pearce; Mr Hord; Mr Alavanos; Lord Harmar-Nicholls; Mr Arndt; Mr Pranchère; Mr Price; Mr Gautier; Dame Shelagh Roberts; Mr Treacy; Mr Mouchel; Mrs Desouches; Mr Gatto; Mr Marshall; Sir Fred Warner; Mr Welsh</i> 238</p> |
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IN THE CHAIR: MR DANKERT

President

(The sitting was opened at 10 a.m.)¹

Mr Alavanos (COM). — (GR) Mr President, I rise on a point of order pending since yesterday and shall be very brief. We put a problem to Mr Klepsch, who was in the Chair yesterday evening, and he told us that we would receive an answer today from the Bureau. It concerns a question from Mr Rumor, which appears on the agenda as a question from the Chairman of the Political Affairs Committee, and which constitutes a grave interference in Greece's internal affairs. Yesterday we asked Mr Klepsch for an assurance that this was a personal question from Mr Rumor. We are waiting for a reply, because this is an important matter for Greece, is in the headlines in the papers, and will be discussed this evening in the Greek Parliament. I hope that I will be able to have your reply now during this morning's sitting.

President. — Mr Alavanos, I regret very much but a statement by a committee chairman outside the plen-

ary sitting has nothing to do with me, is no part of a discussion of the Minutes and is the individual responsibility of the man concerned.

1. *Motion for a resolution (Rule 49 of the Rules of Procedure)*

President. — In accordance with Rule 49 (5) of the Rules of Procedure, the motion for a resolution without a number on the consequences to be drawn from the European Parliament's adoption on 7 July 1981 of the Zagari report has been signed by more than half the Members of Parliament.

Since this motion for a resolution has been tabled with all the signatures, it has not been possible to apply the procedure laid down in paragraphs 2 and 3 of Rule 49, particularly as regards Members' rights to table alternative motions or amendments. In the circumstances I feel that the motion for a resolution should be posted on the notice boards for at least thirty days.

The motion will be forwarded to the relevant parliamentary bodies who will consider the action to be taken on this text with specific reference to the judgment of the Court of Justice of the European Communities in Case 230/81 between the Government of the

¹ Approval of Minutes: see Minutes.

President

Grand Duchy of Luxembourg and the European Parliament and to the provisions of the staff regulations.

Mr Estgen (PPE). — (*FR*) Concerning the Rules of Procedure, Mr President. Rule 49 states:

The written procedure shall not apply where Parliament has been consulted under the provisions of the Treaties or where Parliament exercises a specific prerogative under the Treaties.

I wonder if this decision by the European Parliament does not affect the exercise of a specific prerogative, because the judgment of the Court which you have just mentioned, in the case between the Luxembourg Government and the European Parliament, voiced very specific reservations on this matter. I wonder if the written procedure is applicable in this instance.

President. — Mr Estgen, it was my duty to inform the House of this motion for a resolution and of the number of Members who had signed it. I have already said that it should be displayed for a certain time so that an alternative motion may be tabled. Thereafter, the relevant parliamentary bodies, in particular the Bureau, will consider the motion.

2. Ethyl alcohol (continuation)

President. — As was announced yesterday,¹ we are going to consider the request by Mr Dalsass, pursuant to Rule 85 (4) of the Rules of Procedure, asking the Committee on Agriculture to submit before the next part-session its conclusions on the regulation on ethyl alcohol contained in the Dalsass report which has been referred back to committee.

Mr Dalsass (PPE), rapporteur. — (*DE*) Mr President, I put forward a proposal yesterday for a deadline to be set so that we could have this report on the agenda again as quickly as possible. The chairman of the Committee on Budgets, Mr Lange, has complained bitterly that he has been given no opportunity to deal with this completely different proposal in committee. It would seem that the committees asked for an opinion have not had such an opportunity either. But Mr Hord voiced the view of the Committee on Budgets yesterday. This means that there is something which does not quite follow: either the text was considered or it was not.

I should not like people to start complaining again next time. I therefore propose that the committee responsible be given two months and the other committees one month so that we can deal with this report in

the House again in May. The other committees, which are being asked for an opinion, ought to have an opportunity to express their views.

President. — No deadline will be set for the other committees, Mr Dalsass, but only for the committee responsible. May can be set as the deadline for the Committee on Agriculture and then the other committees will have enough time. Are you proposing two months?

Mr Dalsass (PPE), rapporteur. — That is alright by me, Mr President, even though my proposal in its completely amended form has been before the House since March 1982. The committees have had a whole year in which to voice their opinions but they have not done so. In order to give them another opportunity to do so, I propose a deadline of two months.

Mr Hord (ED). — Mr President, I rise to speak against the proposal by Mr Dalsass. As was said yesterday, this is a very complicated subject. The Commission, so far as I know, has put no pressure on the Committee on Agriculture to get this thing through. Mr Dalsass himself has made or intends to make very substantial changes to the Commission proposals. Over 70 amendments to the regulations have been brought forward by the rapporteur, and none of the parliamentary committees that should be consulted has been given an opportunity to give a revised opinion on that substantial block of amendments. Therefore, I think it is totally unreasonable in all the circumstances that a very severe limit be put on the amount of time to be given to those committees to enable them to deal with the matter. It is unrealistic to put a deadline on it, be it April or May.

I would therefore ask this House not to support Mr Dalsass' proposal, because I think it is unrealistic and impractical.

Mr Lange (S), chairman of the Committee on Budgets. — (*DE*) I should like to get this matter straight. The Committee on Budgets expressed an opinion on the Commission proposal but it was given no opportunity to state an opinion on this report even though, as Mr Dalsass says, it has been ready for a year. The fact is that it should have been up to the committee responsible to inform the other committees that it intended to amend the Commission proposal substantially and that it has done so. The committees which are being asked for an opinion must then as you know be asked to state their views on the new position of the committee responsible. This has not happened in the period that has gone by.

This is what we are talking about and Mr Dalsass as well must see that this is a basic question which arises not only in this instance but which is also a general

¹ See debates of previous day.

Lange

question affecting committees which are responsible for reports and others which are asked for their opinions.

(Parliament accepted Mr Dalsass's request)¹

3. Votes²**MOUCHEL REPORT (DOC. 1-1325/82 'AGRICULTURAL PRICES')**

President. — Before we consider the motion for a resolution, I have to put to the vote the proposals for regulations on the fixing of prices for certain agricultural products.

I must also inform you that during the meeting held on 24 and 25 February 1983 the Committee on Agriculture decided to recommend the rejection of these proposals, to which in fact no amendments had been tabled.

Mr Mouchel (DEP), rapporteur. — *(FR)* You have just said that the Committee on Agriculture clearly rejected the Commission's proposals for regulations in adopting my report. I would therefore ask the honourable Members to reject the Commission's proposals.

(Parliament rejected the Commission's proposals)

MOUCHEL MOTION FOR A RESOLUTION*Preamble*

Mr Provan (ED). — Mr President, before we vote on the recitals I wonder if you can help. There is an impression outside this Parliament that if we accept the recitals, then Parliament is accepting anything that is contained in the recitals. I therefore ask you, is that a fact or is it just a legal basis for the motion we shall then vote on? As I say, there is a body of opinion outside that to take recital 4 as an example, if we vote in favour of that, then we are adopting that resolution. I would like your opinion on that, please.

President. — I do not think that by adopting recital 4 of the preamble we adopt the report it refers to.

Before the vote on recital A

Lady Elles (ED). — On a point of order, Mr President, I think Mr Provan did raise a matter of import-

ance and I wonder whether it could be referred to the Committee on the Rules of Procedure and Petitions. It should not be possible to refer in a report to a resolution which has not yet been adopted, because if the resolution is not passed it will not be valid. So the fact that a motion has been tabled has no legal validity. I think the Committee on the Rules of Procedure and Petitions should consider whether such a motion for a resolution can be referred to in a report which is being adopted by this Parliament.

President. — I think there is no objection to referring the matter to the Committee on the Rules of Procedure and Petitions, but without the text of your intervention.

Paragraph 15 — Amendments Nos 118, 36, 71 and 40

Amendment No 36

Mr Provan (ED). — Mr President, can I ask the author of Amendment No 36 whether this amendment was submitted before the Commission revised their proposal? If that is the case, was it amended to 3% as against 2.2%?

Mrs Barbarella (COM). — *(IT)* Mr President, the amendment was tabled earlier and the figure in it has to be brought up to date.

Mr Provan (ED). — So it is now 3%, Mr President?

President. — It is in conformity with the proposals as amended by the Commission itself: 3%.

Mr Dalsass (PPE). — *(DE)* It is true that the amendment was tabled earlier, but it mentions 2.2%. If the Commission has passed 3% in the meantime, this does not mean that the amendment has to be changed just like that. Parliament can opt for 1% or 4%, so there is no question of a correction. We must vote on the amendment as it is.

President. — Mr Dalsass, in general I am very much against oral amendments, as there are timetables for such things. What we have here is an amendment which tallies with what the Commission has proposed. In the meantime the proposal has been altered. I grant there is no real provision for such a case but I think it would be a good idea in exceptional cases such as this if we took the pragmatic view, and I therefore propose with regard to Amendment No 36 that 2.2% be replaced by 3%.

After the vote on Amendment No 71

¹ Documents received — Referral to committee: see Minutes.

² See Annex.

Mr Gautier (S). — (DE) Mr President, the procedure on Amendment No 71, which has just been voted on in three parts, is not fair to the authors. I should like my name to be removed from the minutes because otherwise it is going to seem as though I was the person who tabled the amendment which is left.

President. — That is impossible!

Mr Gautier (S). — (DE) I just wanted to point it out.

President. — Your name will remain in the Minutes.

Mr Pranchère (COM). — (FR) Mr President, it seems that the amendment we have just voted on, Amendment No 71, has been adopted as a whole, because what would the point be otherwise? As I see it, unless Amendment No 40 is adopted, the vote now should be on paragraph 15 of the Mouchel report.

President. — The amendment seeks to replace paragraph 15, and this was done. The text is on the short side, but that is your fault.

Mr Mouchel, is Amendment No 40 compatible with the Woltjer text as it was voted?

Mr Mouchel (DEP), rapporteur. — (FR) No, I get the impression that it is not compatible.

President. — In that case it falls.

Mr Pranchère (COM). — (FR) I am sorry, Mr President, there was a misunderstanding on my part and it is in fact compatible.

President. — That is what I asked you.

Mr von der Vring (S). — (DE) You cannot just do what you like, Mr President. We duly voted on Amendment No 71. You yourself know that this was a ploy by those who wanted a separate vote: *paragraph 15 by the following*. Everyone voted on this paragraph. That is the matter dealt with and anything to do with paragraph 15 now falls. I would ask you to do things properly and not in the way the Committee of Agricultural Organizations picks things up.

(Applause)

President. — First of all we have to decide whether Amendment No 40 can replace the text which has just been adopted. I do not think so. It can be regarded

simply as an addition. This procedure has been used many times. I shall have to consult you to find out if you are willing to consider it an addition, before we vote on the content.

Mr Woltjer (S). — (NL) The two texts are incompatible and this is where the problem is. On the one hand it clearly says that the coresponsibility levy — this is the text which has been adopted — is not the way to curb over-production, but then the second text states that if we reduce intervention prices producers would be doubly penalized. This idea of being doubly penalized refers to the coresponsibility levy which we have already said is unfair. You cannot bring the two together. Parliament has decided that paragraph 15 be replaced by the text which I tabled, at least as far as the subparagraph is concerned. The rest has been rejected by Parliament.

President. — Fine, but as President I am not commenting on the content of the amendments, as that is the rapporteur's job. I asked the rapporteur if the amendments could be merged. He said yes, and that is my problem at the moment.

Mr Cottrell (ED). — Mr President, the English text of the amendments makes the whole thing perfectly clear. Amendment No 71 says quite clearly: 'Replace paragraph 15 by the following'. Amendment No 40 says: 'paragraph 15 to read as follows'. That is merely a different way of saying 'replace the text'. You cannot replace the text twice.

President. — I said, Mr Cottrell, that the Woltjer amendment replaced the text of paragraph 15. I now ask the House whether it does or does not want to consider Amendment No 40 as an addition to the text already voted.

It is a very regular practice in this House to accept this kind of addition. I put the question to the House.

Mr Mouchel (DEP), rapporteur. — (FR) Mr President, the text we have just adopted — the first part of Amendment No 71 — deals with the coresponsibility levy whereas Amendment No 40 is about the intervention price level. These are two different concepts and I do not think it is quite feasible to accept this as an addition.

Mr Pranchère (COM). — (FR) I second what Mr Mouchel has just said, Mr President, because the fact is that paragraph 15 in the form it was adopted after the Woltjer amendment is rounded off by Amendment No 40. I feel that this is a perfectly sensible step inasmuch as the rapporteur is in favour. I approve of your proposal to ask the House for its opinion.

Mr Davern (DEP). — Mr President, as the author of Amendment No 40, I wish to make it clear that it was intended in the first place to be additional.

President. — Mr Davern, that is not quite correct, because the amendment reads: 'to modify the paragraph as follows:', which is not quite additional. But it was intended to modify a different text from the text which is now in existence. That is the problem.

Mr Provan (ED). — Mr President, I hope I can help you by referring to a vote that we took earlier this morning on Amendment No 100 when we adopted a recital referring to the Plumb report of 17 June 1981. Parliament has already taken a decision on limitation of production. I would suggest to you therefore that, to be consistent with the votes we have already taken, Mr Davern's Amendment No 40 should not be taken by the House.

President. — In view of precedents in the House, I will ask the House to vote on the proposal that in the circumstances we accept Amendment No 40 as an addition to the text already voted.

(Parliament agreed to the proposal)

After the vote on all the amendments

IN THE CHAIR: MR KLEPSCH

Vice-President

President. — I have been notified of 15 explanations of vote. These can be made in writing and should be submitted by 3 p.m., although of course I cannot stop anyone from giving an oral explanation of vote.

Mrs Kellett-Bowman (ED). — On a point of order, Mr President. It is a very sensible suggestion of yours, which you have made on numerous previous occasions, that Members could accommodate the Assembly by putting their explanations of vote in writing. But then it appears in the record as being in writing, as though that Member had not been sufficiently zealous to be here. It would be a great advantage and inducement to Members to put it in writing if those words did not appear in the record.

President. — Everyone is entitled to give an explanation of vote in writing.

Mrs Kellett-Bowman (ED). — Mr President, I am afraid you have not understood what I am saying. What I am saying is that you made the very sensible suggestion that those present who wish to put their explanations of vote in writing, thus accommodating the Assembly and the interpreters and reducing expense, may do so. But, if they accept your suggestion, the words *in writing* will appear in the Report of Proceedings and thus will make it look as though Members were not sufficiently zealous to attend. If the words *in writing* were omitted from the record, a lot more Members would put their explanations of vote in writing, since they would be helping other people by doing so.

President. — Your comment is noted.

Mr Forth (ED). — On a point of order, Mr President. In the light of the Nord report having been adopted this morning and of the provisions contained in it, could I ask you to invite colleagues who are going to make an explanation of vote on this matter to have due regard to the need to declare any financial interest they may have in the matter of farm prices?

President. — That was not really a point of order, Mr Forth.

Mr Prout (ED). — Mr President, in normal circumstances this would be the moment when Parliament turns to the Commission and asks, under our new consultation rules, whether or not it accepts Parliament's amendments to its proposals. However, by rejecting the Commission's proposal outright, rather than amending it, we have deprived ourselves of the benefit of these rules and therefore of all political leverage over the Commission. Our opinion, Mr President, relates to no text and is therefore constitutionally meaningless. I implore the Committee on Agriculture to conform with existing parliamentary procedure in future years, to amend first of all the Commission's text and then go on to express its opinion.

(Applause)

President. — Does the Commission want to speak again before the vote? Mr Prout was referring to Rule 35. The first thing the House decided this morning was to reject the Commission proposals. After this decision the Chair asked the Commission whether it withdrew its proposals or whether it was standing by them. We were informed by the Commission that it was standing by them.

Mr Prout would have had an opportunity this morning to move that no vote be taken on the motion for a resolution. In the meantime we have reached the final vote. I can therefore no longer apply this procedure,

President

which could only have been applied this morning.

Mr Prout (ED). — Mr President, there is some misunderstanding. I am not asking you to follow the procedure, because we have constitutionally excluded ourselves from doing so. All I am asking Parliament to do is to take note of the fact that we have excluded ourselves from doing so, so that next year rather than rejecting the proposals outright we can have the good sense to amend them. Then we shall have the authority to ask the Commission whether or not it agrees with our opinion. As it is, we cannot do that anymore.

President. — Very well, but let us lose no more time. There are still two Members who want to raise points of order.

Mr von der Vring (S). — (DE) On a point of order, Mr President. I just want to point out that the explanation that has just been given is based on a misconception. Parliament voted correctly. There was absolutely no intention to influence the Council's decision on farm prices today. The idea was simply to let the voters know — and by the voters I mean the farmers — the way Parliament would have liked to see things turn out.

President. — That was not a point of order.

Mr Paisley (NI). — On a point of order, Mr President. I gave notice to the Chair yesterday that I would be giving an explanation of vote. You asked me from the Chair whether I wanted to give it orally or in writing. I said I wanted to give it orally and yet you did not call me to give the explanation of vote. May I now give this explanation of vote?

President. — I called you earlier but you did not seem to be in the Chamber. Please submit your explanation in writing.

(The sitting was suspended at 1.10 p.m. and resumed at 3 p.m.)

IN THE CHAIR: LADY ELLES

(Vice-President)

Mr Paisley (NI). — On a point of order, Madam President. At the vote this morning a number of Members of this House had given due notice under Rule 80 that they wished to give an explanation of vote. The

President, Mr Klepsch, then asked the various people who had given due notice whether they wanted to give their explanations orally. When my name was called I made it clear that I wanted to give it orally. Then when the names were all called, I was omitted; I raised the matter with the Chair and was told that I could not be called.

In fairness to Mr Klepsch, I must say that I met him afterwards and pointed out that the omission in calling me was his mistake entirely, he admitted that that was so and he said that when he next was in the Chair he would make an explanation to that effect. But I would like you, Madam President, to rule that the Chair has no power to omit the calling of a person who has under Rule 80 given due notice to the Chair that he wants to make an oral explanation of vote.

President. — Mr Paisley, I have no authority to make any such ruling, because I think it is already in the Rules of Procedure. In view of the fact that the President who was in the Chair at the time has admitted to you his mistake, I will be very willing, if you so wish, to give you your one-and-a-half minutes to make your oral explanation now.

Mr Paisley (NI). — I would like to accept that offer. Could I just say to the House that agriculture is one of the most important industries in Northern Ireland. In fact, it provides 20% of Northern Ireland's total employment while in the Community as a whole agriculture only provides 8.2%. So it is a vital part of Ulster's economy. Therefore, I wanted to say to the House that, whatever reservations I might have on the agricultural report by Mr Mouchel, I would find it incumbent upon me, because of the state of affairs in the Northern Ireland agricultural economy, to vote for the resolution before the House, I might inform the House that the intensive sector of agriculture in Northern Ireland has been reduced by over 40% and both poultry and pig men, as well as the seed-potato men, are in a very sad state. For those reasons I voted for the report today, as I felt that the farmers in Northern Ireland certainly needed a rise of 7% and even more.

Thank you, Madam President, for giving me this opportunity.

Mr Maher (L). — On a point of order, Madam President. I do not disagree at all with what Mr Paisley has said, but I want to ask you whether a precedent has now been created in relation to explanations of vote whereby, if you are not there when the President calls you, you may then make an explanation of vote some time afterwards in the plenary sitting.

President. — Mr Maher, I do not know whether you were in the Chamber when Mr Paisley explained what

President

took place. I happened to be in the Chamber this morning; I happened to hear his name being called out and I happened to be there when his name was not called out to make an oral explanation although he had said he wished to do so. The President at the time has explained to Mr Paisley that he made a mistake, and he apologized to Mr Paisley for that mistake. I think it is only right, in these special circumstances, that Mr Paisley should have had the opportunity to make his explanation orally, since that was what had been agreed beforehand.¹

4. Topical and urgent debate

Maltese Nationalist Party

President. — The next item is the motion for a resolution (Doc. 1-1380/82) by Mr Croux and others, on behalf of the Group of the European People's Party (Christian-Democratic Group), on the ostracism to which members of the Maltese nationalist party are subjected.

Mr Barbi (PPE). — (*IT*) Madam President, my colleagues and I have tabled this motion for a resolution with emergency procedure because of what has been happening in Malta lately. I am sure you are all aware of what has been going on and, given the little time at our disposal, I will not go over it again.

I will merely summarize events by saying that a popular majority has turned into a Parliamentary minority. This in itself does not matter. It does, after all, occur frequently — unfortunately — in countries with absurd political systems. But something more serious has happened: the popular minority which is now the Parliamentary majority has dismissed from office various minority members who, as a gesture of protest, had abstained from participating in Parliamentary meetings. For me, as an Italian, this was like harking back to the fascist period, but a subsequent event caused an even greater outcry, and was finally the reason for our decision to table this motion for a resolution. I refer to the call by the Maltese Government on 10 January to the foreign missions not to maintain relations with the minority. In doing this, the government violated all the norms governing international relations and provoked an indignant reaction throughout the free world. It appears that this reaction has not been without effect — if the information I have received just recently is correct — as the situation seems finally to be changing for the better in Malta, partly thanks to the mediatory role so wisely played by the Italian President.

The change for the better is that the government has been persuaded that it would be a good idea to reinstate the elected members of the Maltese Nationalist Party in their Parliamentary role and has announced a change to electoral law which respects the constitution. These two provisions are said to have been put rapidly before Parliament by the government and to have been accepted by the opposition. I am happy to be able to report this favourable outcome and hope that it will be translated into facts as soon as possible. That is why, I hope that Parliament will still vote for this motion for a resolution of ours, bearing in mind that the Community is preparing to grant exceptional aid — not refundable — worth 10 million ECU to Malta, and is also preparing to negotiate a second financial protocol with Malta. We call on the Commission to postpone these measures until respect for democracy and political liberties has been restored in Malta and to make its aid conditional on the restoration of these essential values in that country.

(*Applause*)

Mr Schmid (S). — (*DE*) Madam President, in its circular of 10 January the Maltese Government tried to exert influence on any contact which foreign embassies may have had with the country's Nationalist Party. What Mr Barbi says is not true, namely that someone in Malta has been preventing the nationalists from exercising their full parliamentary rights. I asked Mr Adami here in this House last December whether anyone was preventing him from taking his official oath. He said, No, but for our own political reasons we are boycotting the Parliament there'. That is only by the by.

On behalf of my group, however, I should like to state that the attempts to restrict contact between foreign embassies and the Nationalist Party, even if its members did act as a militant extra-parliamentary opposition, are not covered at all by the Vienna Diplomatic Rights Convention. If anyone wishes to protest about this particular incident he can count on our support.

At the same time I would like to state on behalf of my group, Mr Barbi, that bringing up the subject for discussion in the emergency debate is totally unnecessary for several reasons. I very much regret that you were not reasonable enough to agree to our proposal to drop this point. It is necessary because the Political Affairs Committee will, I am told, be dealing with Malta next week when Mrs van den Heuvel, who was recently in the country, will be presenting her report, and I fail to see the point of having a Political Affairs Committee if reports which are being drawn up by it are undermined by emergency debates in this House. That is the first reason.

The second reason is that the problem has in fact long been solved. The European Community has dealt with the incident as part of political cooperation. Represent-

¹ Membership of Parliament: see Minutes.

Schmid

tations have been made by the ambassadors of the EEC countries, the United States and Arab countries. The Community took action long ago, and that action long ago produced results. You are obviously not aware of the correspondence between the Maltese Government and the American Embassy in which the Maltese Government, albeit in a fashion with which not everyone might agree, made a clear and unambiguous statement on the issue, namely, that of course it is the right of every embassy in the country to inform itself of the situation there, including having contact with members of any party they choose.

I simply don't understand why you are making such a big issue in this House out of an incident which was dealt with long ago where it mattered. Your information is weeks old. Don't bother us in future with such out-of-date facts. And one thing more: I have heard that the Nationalist Party will take its seats in the Maltese Parliament and will be sworn in on Monday. We will be making ourselves ridiculous in the eyes of the rest of the world if we adopt this motion today. Mr Barbi — and I would ask you to listen to what I am saying to you — the most sensible thing would be for you to withdraw the motion and discuss the subject in the Political Affairs Committee. If this is not possible, however, I would ask you at least to accept our amendments which concentrate on this circular and not to extend your criticism in unacceptable fashion to anything and everything.

Let me make two remarks to end with in my capacity as Chairman of Parliament's Malta Delegation. Firstly, delegations are not groups of tourists but an integral part of the Community's external relations. It is bad form, Mr Barbi, to table such motions in the House without having consulted members of this delegation, not to speak of its chairman. This will not do in the future. There must be at least a minimum of consultation.

Secondly, the situation in Malta is, as you know, extremely polarised and difficult. There was agreement in the Malta Delegation — right across the groups, including our Christian-Democratic colleagues — that it cannot be our task to contribute further to the polarization which exists on the island. It must be our task — and this is what I understand foreign policy to be — to represent our interests there. By tabling motions in this House which are intended to further party political interests in Malta you are hindering progress, and I would warn you not to do so.

(Applause)

Mr Fergusson (ED). — Madam President, may I say that if Mr Schmid believes everything he has said, he might now spend a little time working on members of his own group in the Political Affairs Committee to try to stop the obstruction of the Malta report which we

have been trying to get through to this Parliament for the last three or four months.

(Applause)

I think we should repeat that it is very necessary that we have this debate now because it enables us, short of that report, to recall what is happening in Malta at the moment, which worries us all.

The fact is that the Nationalists in the elections of December 1981 got more than 50% of the vote and yet failed to become the government. It is the only main case, I think, in the West of an opposition party obtaining an absolute majority of the votes in an election and still not forming the government.

I remind the House again that since December 1981 there has also been scandalous harassment of the opposition.

In addition to their exclusion from the Parliament, there have been attacks on the party paper; there have been attacks in the House, and Dr Elami and the police have not even bothered to move in to protect them.

After that, if you remember, came the misnamed 'Foreign Interference Act', which, in fact, amounted to government interference in the rights of democratic opposition by refusing to allow Maltese politicians to discuss their politics with outsiders. This is as bad as in Albania!

After that, there was the incident only last January when diplomatic missions were requested not to speak to the Nationalist Party members. That is as bad as the Soviet Union.

Though there have been reports of some signs of amelioration in the situation, these are only promises at the moment. We simply cannot leave the matter there. Until we know that democratic freedoms are going to be restored to a place like Malta, with whom we have such close connections, we cannot leave it alone. I personally will do all I can to hurry the report from the Political Affairs Committee through to this Parliament, and I hope the people opposite will help me in that.

(Applause)

Mr Beyer de Ryke (L). — *(FR)* Madam President, ladies and gentlemen, I have listened to Mr Barbi, I have listened to Mr Fergusson, I have listened to our other colleagues and I am astonished. I am astonished and I tell myself that the criticisms levelled at Dom Mintoff are not valid. I know him, I met him a few years ago and he is a character, yes, without doubt an exaggerated and extreme character, quite probably even a demagogue, but nevertheless a statesman whom I, for my part, considered to be responsible.

Beyer de Ryke

And I would like to make the following remark; it is not at Dom Mintoff that all your criticisms should be directed but at someone who is passing himself off as him. And I think that the one who is passing himself off as Dom Mintoff must be King Ubu, that grating, sarcastic caricature created by Alfred Jarry. Who would expect a responsible statesmen to take a measure which, although not irrational, was as absurd as to forbid a party's representatives to meet foreign diplomats? For just imagine if tomorrow the members of the minority British Labour Party, sole holders of power, were to forbid the German, Italian and French ambassadors from going to tea with Mrs Thatcher? That would really be an Ubuesque situation. It is for this reason that I say: 'It is not Dom Mintoff. It is someone who is passing himself off as him.' It is for this reason, Mr Barbi, that I think your criticisms should not be directed at him, but to someone else, to an imposter.

We will support the amendments of the Socialist Group, and I say this on behalf of my group. We will support them because we do not believe in the merit of economic sanctions whatever the case may be. But — they will excuse me if I say this — we are, perhaps, a little more consistent than our colleagues in the Socialist Group as we no longer believe in the merit of economic sanctions be it in the case of Malta, Turkey or South Africa. We would say just as firmly and as pointedly to Mr Botha, General Evren or Dom Mintoff that their democracy is not ours, that it is a democracy with many shortcomings, that they have a democracy in nothing but name. We therefore invite the Council to make representations to Malta so that Dom Mintoff sees the error of his ways and goes back to being Dom Mintoff.

Mr Giolitti, Member of the Commission. — (IT) Before discussing the actual content of this motion for a resolution, Mr President, I think it would be useful to tell Parliament about the present state of relations between the EEC and Malta, especially the premises for the proposals formulated by the Commission last October and quoted in the motion for a resolution itself.

It is common knowledge that relations between Malta and the Community are going through a difficult period. The Maltese government has said that it is disappointed with the way the association agreement has operated. As a result, some independent measures have, since 1 January 1981, replaced our trade agreements. There have also been problems with the granting of financial aid from the Community to Malta. Following the request in 1981 by the Prime Minister, Mr Mintoff, to the effect that a special relationship with the Community should be established, the Commission formulated a series of proposals aimed at solving the present crisis which characterizes the relations between the parties concerned.

The Commission's communication considered all aspects of EEC-Malta relations and, in particular, pro-

posed a special package of aids to promote the Maltese economy and to open negotiations for a second financial protocol. The latter will expire on 31 October 1983. These proposals are currently being examined by the Council.

To turn to the content of the motion for a resolution, despite the Commission's special concern at the deterioration of the political climate in Malta, there are many aspects to the situation which require further clarification.

We note that the European Parliament's Political Affairs Committee has asked Mrs van den Heuvel to draw up a report on the situation in Malta. We have been informed of her recent visit to Malta and trust that her report will be available shortly.

I nevertheless feel bound to point out that the motion for a resolution seeks to examine problems which are not within the Commission's competence.

While the Commission in no way seeks to justify recent events in Malta, it does not feel that withdrawing its proposals for financial aid to Malta is valid, given the lack of more detailed and balanced information on the situation in Malta.

The Commission applauds the decision of the Political Affairs Committee to draw up a report on Malta and is obviously ready to assist the committee in any form it can.

President. — The debate is closed.

Vote¹

Baha'is in Iran

President. — The next item is the motion for a resolution (Doc. 1-1372/82) by Mr von Hassel and others, on behalf of the Group of the European People's Party, Mr Nielsen, on behalf of the Liberal and Democratic Group, and Mr Glinne and others, on behalf of the Socialist Group, on death sentences passed on Baha'is in Iran.

Mr von Hassel (PPE). — (DE) Madam President, the indignation felt by the Western world towards the violation of human rights in Iran and the death sentences passed there is shared by all parties. The sentencing to death of members of the Baha'i religious community, however, belongs to a special category. In 1980 and 1981 we appealed to the authorities in Teh-

¹ See Annex.

von Hassel

eran to stop these inhuman death sentences; but still the series of murders continues.

After our protests a further five Baha'is were sentenced to death on 23 September 1982. In the meantime another three have been shot or hanged. Meanwhile 22 of the 90 Baha'is imprisoned in Shiraz have been sentenced to death. The charge is always membership of the Baha'i religious sect.

The European Parliament is rightly very sensitive to the violation of human rights, and freedom of religion is undeniably a very basic right. It makes little difference whether we deplore conditions in Iran, Turkey, Eastern Europe or anywhere else in the world. We demand the right to religious freedom everywhere.

The Baha'is are moreover a large religious community, the largest in Iran with 300 000 followers. Throughout the world there are a further 2.5 million, represented in 700 languages and dialects and in 1 900 ethnic groups. In the ten countries of the Community there are ten national Baha'i religious councils, and these councils are accredited to the United Nations.

It was reported in the press today that the Commission on Human Rights in Geneva had condemned yesterday the violation of human rights in Iran, including the sentences against the Baha'is. A motion was tabled that the Secretary General of the United Nations send a representative to Iran.

Our motion is urgent. We must speak before another sentence is carried out, and if we take a unanimous decision today that will also act as an encouragement for the United Nations observer on his way to Tehran. Today's protests against the death sentences are with particular reference to the Baha'i religious community. They are also, however, directed against all death sentences imposed in Iran.

On behalf of the signatories I ask for your support.

(Applause)

Mr Habsburg (PPE). — *(DE)* Madam President, the latest news from Iran indicates clearly that as a result of the OPEC crisis the regime of the Ayatollah Khomeini is beginning to listen to world opinion for the first time. It is, therefore, urgently called for that we register here and now a clear and unambiguous protest against the scandalous religious persecution in Iran, even if it has been voiced often enough before.

I believe that it would really serve a practical purpose since at a time of crisis in OPEC we could definitely exert moral influence. The persecution of the Baha'is is completely unjustified as they have never interfered in politics but have lived peacefully and in no way offered resistance to the present regime. We, as the European Parliament, are therefore called upon, on

account of our excellent contacts with Iran, to tell the Iranian regime that we regard this religious persecution as intolerable, quite apart from what Mr von Hassel said, namely, that we are totally opposed to the atrocities of the Ayatollah's regime. There is, however, one point which I would like to clarify: we will not mistake the Ayatollah Khomeini for Islam. There are also thoroughly irreproachable elements with whom we seek friendly relations, but we must condemn the excesses of the Shiites just as much as we condemn excesses in all other areas.

(Applause)

Mr Beazley (ED). — Madam President, I am speaking on behalf of the European Democratic Group, which has voted to support this resolution in its entirety. I withdrew a similar resolution in my own name in order to support this joint resolution; so I would ask that the name of our group be recorded as a joint signatory with other sponsoring groups.

Madam President, the relationship of the Iranian Government with the peace-loving followers of the Baha'i faith illustrates all too clearly man's inhumanity to man. The purpose of my group, however, is not to aggravate an already disastrous situation full of suffering both for the prisoners and their families in Iran and for many of their families living in our constituencies. Our desire is to banish fear and suspicion and to replace them with understanding and tolerance. We do not underestimate the difficulty of those who speak on behalf of the European Community to the representatives of the Iranian Government, bearing in mind the failure of our previous attempt in this European Parliament and in the United Nations; but we must strive to help the Iranian Government to understand the tenets and the nature of the Baha'i faith, which is no way inimical to the Iranian Government but which specifically requires its followers to submit themselves to the laws of the land in which they live and to show devotion to the cause of peace and to the belief in equality between sexes and peoples, according to the international covenants of civil and political rights to which Iran is party.

We earnestly request the Foreign Ministers meeting in political cooperation to use their utmost efforts to obtain the release of those at present imprisoned in Iran and of those under threat of execution, and to build up a new relationship between the Iranian Government and the Baha'i, so that they may live together in peace and understanding.

Mr Efremidis (COM). — *(GR)* Mr President, I do not think anyone in this House is a Baha'i — not even the author of the motion which we are discussing. Nevertheless, it is obvious that there will be an overwhelming majority in favour, and we too shall vote in favour of this motion for obvious humanitarian rea-

Efremidis

sons, since it calls for the Baha'i to be freed from oppression and, even more important, from the danger that they may lose their lives because of their religious belief.

However, Mr President, in exactly the same spirit and for the same humanitarian reasons we wish to appeal to all members to react positively by voting for the amendment and addition which we have tabled, calling upon Parliament to request the Iranian Government to save the life of Mr Kianuri, secretary of the Iranian Tudeh party, and of other party officials who were arrested in February and who are threatened with immediate execution.

Mr President, I appeal in particular to the rapporteur to show understanding by accepting the amendment, thus strengthening the humanitarian basis of this motion and report, and would ask all of you to vote in favour. Otherwise, there is a danger that a vote against the motion may be misinterpreted and that Parliament may be thought to be indifferent to, or even worse, to support the execution of political figures merely because of their political beliefs.

Mr Lalor (DEP). — Madam President, I simply want to associate the group of European Progressive Democrats with this resolution as a whole.

We must condemn the systematic oppression of the long-suffering Iranian Baha'i community, which has now reached a new level of intensity in recent months. The dwindling sources of livelihood of the Baha'is have been severely curtailed by the dismissal of Baha'is from employment, through the cancellation of trading licences and the confiscation of private properties and assets. Thousands of Baha'is are homeless and are thrown at the mercy of friends or relatives. School doors are closed, and an increasing number of Baha'i children and hundreds of Baha'is throughout the country of Iran are imprisoned.

The resolution draws specific attention to the fact that 120 Baha'is have been executed because they are not prepared to renounce their faith. This rings a resounding bell of sympathy in my country.

As the resolution points out, 22 Baha'is in Chiraz are now under sentence of death; this sentence has been approved by the supreme court in Teheran and the trials, if any, were secret. The details of the pending execution and their approval by the supreme court in Iran were published in a local paper. That is the only information that is available. So I go along with the other spokesmen here in asking this House to express its unanimous condemnation.

Mr Kirkos (COM). — (GR) Mr President, we shall support both the joint motion and the amendment tabled by Mr Efremidis. We welcomed the overthrow

of the Shah and welcome any progress in the Republic of Iran. However, we cannot close our eyes to the current bloodbath under the present theocratic regime. We also wish to mention the thousands of Moujaheddin who are being literally slaughtered every day under completely abnormal conditions. We shall take advantage of the opportunity provided by this motion which seems likely to be passed unanimously by Parliament, to speak up loud and clear in defence of human rights in Iran.

Mr Narjes, Member of the Commission — (DE). Madam President, the Commission has repeatedly condemned the violation of human rights in Iran before this House, and in particular the persecution to which the Baha'i sect is continuously subjected, despite countless protests by the international community.

Alarmed and concerned by the increase in persecution of the Baha'is the Commission gives its support to this step taken by the European Parliament, in the renewed hope that this initiative may also contribute to ending a further violation of human rights. The Commission has likewise supported various initiatives which have been lodged directly by Member States with the Iranian Government in Teheran, the last time being on 31 January 1983.

Mr Barbi (PPE). — (IT) Just half a minute, Madam President, for me to say that we basically approve of the amendment submitted by Messrs Ephremidis, Adamou and others, even though we do not quite see how it relates to the question of death sentences passed on Baha'is in Iran.

However, since we want to safeguard life for everyone and since we support political freedom in Iran as much as in the Soviet Union, we will be voting in favour of this amendment.

President. — The debate is closed.

Vote¹

Progress in the development of the common market

President. — The next item is the motion for a resolution (Doc. 1-1340/82), by Mr Rogalla and others, on progress in attainment of the Customs Union, the European internal market and the free movement of persons, pursuant to the relevant provisions of the EEC Treaty.

¹ See Annex.

Mr von Wogau (PPE). — *(DE)* Madam President, ladies and gentlemen, in December of last year the European Council issued the Council of Ministers with instructions that they should have completed certain outstanding business by 30 March, i.e. to take out certain files which have been gathering dust for years with the Council and to finally reach agreement on them. At issue are a number of things which are of great importance for the citizens of the European Community.

We welcome this initiative of the European Council and welcome the fact also that the Council of Ministers has for the first time held meetings devoted to the internal market at the suggestion of the European Parliament, i.e. meetings which deal exclusively with the opening of the Communities' internal frontiers. We are of the opinion that it is a practice which promises a great deal of success and which should also be kept alive after this presidency is over.

We are indeed concerned and — I must frankly say — also disappointed that up till now only partial successes could be achieved. A package of measures in the form of a proposal for a directive on the exchange of information on technical standards was adopted. This is very useful; a step in the right direction. However, the most difficult problem, namely how to deal with products from non-member countries has not yet been solved. We regard this as one of the key issues, for there have been countless proposals, at least a very great number of Community proposals, which have been blocked for the very reason that agreement could not be reached on a common approach towards such countries.

I believe that the proposal put before us is realistic, as well as being acceptable to both sides. It is my opinion that these countries which are still hesitating to commit themselves should take the final step to making the necessary decision; for we cannot keep postponing indefinitely the opening up of the intra-Community frontiers only because we cannot agree on how, for example, Japanese products should be dealt with. It is really necessary that we as Europeans keep to a common strategy.

In 1984 the voters will ask us where in the Community we have actually made practical progress. It is, therefore, important that we have formulated our ideas as regards the future. That is one of the tasks of this Parliament. But it is just as important that this Parliament can show that it is in a position to change Community reality and to tackle issues which make for inconveniences in everyday life. And these questions regarding the opening of the Community's internal frontiers are a prime example.

The Commission and the Parliament have submitted the necessary proposals to enable this to be done. It is of vital importance that the Sleeping Beauty, i.e. that Council of Ministers, now wakes up from its long

slumber and finally takes this outstanding decision before 30 March and 30 June respectively, and also that it does not slip back into a gentle snooze afterwards but really does implement the important points of the plan now before us in time for the European elections in 1984.

Mr Rogalla (S). — *(DE)* Madam President, the mere fact of asking whether the internal market is a priority area implies an affirmative answer. Nevertheless, the number of emergency debates on the subject is far too low.

We must bear in mind that the internal market is more than just a customs union which, of course, is limited to the movement of goods. An internal market means freedom of movement, pure and simple, between Member States, as is provided for in the EEC Treaty.

Party political colourings and ideologies do not determine the nature of the internal market, and freedom of movement, the gradual removal of internal frontiers and customs checks — in short the abolition of petty national differences — requires the firm support of all groups in the House. At the centre of the issue are the people who are meant to benefit from our cooperation, and whom we are meant to serve.

Today's motion for a resolution is also the result of joint efforts. We seldom have the opportunity to apply our supervisory powers over the Council and Commission, and all those speaking on the subject today are dedicated and passionate supporters of the action.

Achievement of the internal market will come about slowly, step by step, only under the supervision and with the assistance of Parliament as a whole. Each of us involved in this inter-group collaboration is in charge of particular areas and categories, and of course there are difficulties. Nevertheless we are not showing any sign of discouragement; on the contrary, our collaboration is only in its infancy. Today we call upon the European public from this very platform to work with us. We need their support. An effort is being made here to expand the economic relations between Member States and contribute towards the fight against unemployment; this is a difficult task which, without help from outside, appears almost hopeless.

It is of course with satisfaction that we are able to refer to the decision taken by the Heads of Government in 1974 concerning the introduction of the European passport, as well as to the decision of December 1982 to which Mr von Wogau referred. But when one hears in reports about the state of negotiations that there is no chance of simplifying customs formalities, and that passive but fierce resistance is being put up by interest groups, forwarding agents etc, then it is a sorry state of affairs. How long will the citizens of Member States allow the wool to be pulled over their

Rogalla

eyes and deceived into believing that the incredibly high costs of checking goods and persons at our internal frontiers is for their own benefit? When will our security experts give up the pretence that internal frontiers assist in the fight against terrorism and drug trafficking? Internal frontiers are no different from all other frontiers: they are the marks of discord and conflict, i.e. the opposite of what European unity stands for.

When will our ministers with responsibilities in this area finally take a lead, in the interests of all citizens, in the fight against internal frontiers and what they stand for? Hard-hearted experts, ministers with too much else on their minds, and pretended conflicts of interests — could the starting point for our relations with one another be any less favourable? Despite everything we will continue with the good work!

Mr de Ferranti (ED). — Madam President, this is an urgent and a topical debate. It will be difficult to see from the *communautaire* and dry language in which our very correct resolution is couched why it is urgent. I doubt if all those listening in the gallery this afternoon would honestly understand. May I, therefore, just briefly say what it means, especially paragraph 2? It means that the present, wholly national procedures for checking goods which come into the Community should meet the laws that are part of the Community's system and ensure that the goods comply with the laws of the Community. It is only by having a Community procedure instead of merely national procedures, to ensure that those goods comply, that we can be certain that the goods then have free circulation. It is absolutely essential to the very concept of the common market. It therefore has much more to do with the internal market, Madam President, than with third countries, as the resolution would appear to indicate.

No agreement, despite the fact that the Prime Ministers meeting in Copenhagen demanded it, is a very serious matter. It means we do not have free circulation of goods. It means that companies cannot specialize. It means that consumers cannot benefit from better products and from the lower prices that specialization means. The cost is far, far greater than the two billions that frontier delays entail. Tens of thousands of people who have to deal in this less-than-common market are beginning to lose faith in the institutions — not just the institutions, but the governments which form these institutions as well. But, Madam President, many many millions more who are out of work have no hope of finding work as a result of the regeneration of the Community economy unless this decision is taken and taken soon.

Mr Bonaccini (COM). — (IT) We also, Madam President, wish to express our interest in and support for the motion for a resolution and the ideas it contains. We have, moreover, subscribed to the request for topical and urgent debate.

We are not dealing here with the pet project of a group of Members with a special interest in this problem, but with a decision affecting the unity of Europe and its development. While it is true that progress is being made towards unity in the Community through our social and economic relationships, there are still some powerful superstructures of interests which are resisting this unity and are opposed to it. We are asking for the defeat of their purposes since we are convinced — especially in my political party — that a vital and indispensable effort of this kind will by no means be sufficient to fulfil the Community's commitments, which not only demand a common market but also more general common policies and attitudes from all the Member States and all the political forces concerned.

Mr J. Moreau (S), Chairman of the Committee on Economic and Monetary Affairs. — (FR) Madam President, I am pleased that we have had the chance to discuss this question; however, I would not like it to be regarded by the majority of Members as a leitmotiv which recurs at regular intervals in our debates.

Indeed, for some Members of Parliament and of our own committee the internal market is not simply a fad. It is a fundamental issue. I would go as far as saying that it is a necessary condition for the proper establishing of a true economic Community and of a true community in the etymological sense of the word.

In fact, it seems to me that the majority of our colleagues — including those in our Committee on Economic and Monetary Affairs — have realized how important the matter is since a group from that committee is making a tour of the different capitals in the attempt to put across our case to the different institutions, be they parliamentary, governmental or specialized in the problems involved in setting up a genuine internal market.

However — and I feel it is important to point this out today — the demand for a genuinely free internal market, where goods as well as persons have unrestricted freedom of movement, should not be a screen hiding other problems.

I think I should be very clear on this point: to defend the idea of an internal market is one thing, to defend at the same time the idea of backing policies which would benefit largely from the creation of such a market is another, and it is important to tackle both questions simultaneously. I personally would not like to see the persistence of some obscure idea hide the fact that, when the question of the internal market is being dealt within the Council, decisions must be taken at the same time on monetary, industrial and research policy and a lot more besides.

I believe that the time is now ripe to make real progress, which can be achieved by the Council adopting

Moreau

a number of the Commission's directives and proposals.

However, I feel it is just as important that the high-level group sees the work through to the end, especially now that protectionism has become a main issue again. How can one not be in favour of its aim at a time when attitudes become more selfish, Member States divide into distinct camps and each believes that by drawing behind its own defences it can resist the challenge from outside. The time is now ripe for us to advance, and even if public opinion sometimes lags behind the ideas of some Members, from whatever side of the House, I believe it to be necessary that the Council deals with this question without delay. In fact, after it has been dealt with it will be possible to tackle such important questions as a proper industrial strategy or the introduction of a proper monetary system.

Mr Narjes, Member of the Commission. — (DE) First of all I would like to thank those who tabled this motion for a resolution, which the Commission supports in its efforts to achieve progress on the internal market in its dialogue with the European Council and to make up on the considerable ground lost in the past few years. I am pleased to say that I can support each one of the ideas and wishes expressed by the different speakers. Even down to the minor details, there are no basic differences of opinion.

Leaving this consensus aside, however, I would like to point out that the European Council, which meets in Brussels in ten days' time, will see itself faced with the problem that only about one-third of its instructions have been carried out. The European Council, therefore, will have to deal with the question of how it can contribute to procedural improvements with the aim of achieving a more respectable number of decisions in the next quarter. The European Council will have to recognize the fact that the Commission proposals could not be implemented, despite having been given the support of a large majority of this House, of nearly all members of the Economic and Social Committee and of almost the whole of the business sector.

I have the impression that the customs authorities in particular have difficulty accepting a departure from a system of internal frontiers. Perhaps in this case one or two words of persuasion from this House in the direction of the customs authorities of each Member State would have the required effect, and would serve as an especially useful contribution to the future work of the Community. More specifically, I should like to point out that the principal of free movement of goods from non-member countries which are bound by technical standards and certificates has not yet been accepted by two Member States because they wish to reserve the right to make the final decision and up until now have refused Community supervision in this area.

May I also point out that, with regard to the transfer from the customs to the tax authorities of responsibil-

ity for the collection of VAT, one Member State in particular has reservations about regarding the revenue shortfall, which is non-recurrent and only lasts for approximately three months, as negligible when seen in relation to the final goal. In other words, frontiers are more important for this Member State than a temporary loss of revenue whose actual value in terms of assets is small

I could just as easily continue with a list of other such examples, but I only wish to mention these two to point out for everybody's benefit that the vital interests of Member States are in no way at stake, but that they are second and third degree interests to which a suitable solution could be found if only one was willing to take the decision.

As regards future development, the Commission depends on Member States to show themselves more willing to take decisions on reforms, in particular with regard to the removal of frontier restrictions; and a move in that direction would certainly mean reform, and therefore change. One cannot on the one hand be in favour of a removal of frontier restrictions and on the other hand refuse to accept any change in the (smallest) administrative procedure. These are two mutually exclusive modes of behaviour and it is up to the Member States to decide if they really want a removal of frontier restrictions or if they intend to resist the smallest proposed change. In that case they must also accept the responsibility for their attitude.

The Commission and the Council are at the moment working on a new and, I must admit, ambitious programme for the next three months. We hope, however, that by the end of June we will be able to report that greater progress has been made than was regrettably the case for the programme in the last quarter.

President. — The debate is closed.

Vote¹

Pollution

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

- the motion for a resolution (Doc. 1-1367/82) by Mrs Seibel-Emmerling and others, on behalf of the Socialist Group, on emergency action on oil pollution in the North Sea, and
- the motion for a resolution (Doc. 1-1381/82) by Mrs Schleicher and others on the increasingly serious problem of oil pollution of the North Sea.

¹ See Annex.

Mr Seeler (S). — (DE) Madam President, ladies and gentlemen, this is not the first and certainly will not be the last time that this Parliament has to debate the serious problem of pollution in the North Sea. This time the occasion was a resolution passed by the Heligoland Local Council. Those who know the people of Heligoland will know what is required to drive them to take such action.

I would like to mention here that the Commission has been trying for years, as far as its powers extend, to ensure that the North Sea is kept clean, that the water quality of rivers is improved, that the regulations governing shipping are tightened up, etc. An example of this is the Directive adopted by the Commission at the end of 1980 on the prevention of sea pollution by shipping in EEC ports. At the beginning of 1981; i.e. more than two years later, this Parliament gave its support to the Directive. Like so much other unfinished business, it has been waiting since then for ministerial approval. And to think that such a measure is urgently required in the fight against pollution in the North Sea.

If this Parliament had more powers, if our decisions immediately became law and only needed to be implemented by the administration, then we would long since have had the regulations necessary for the prevention of pollution in the North Sea. This I am convinced of. As it stands, however, we can only call upon the Member States bordering the North Sea to take the necessary action — and this as soon as possible. Similarly, we must never grow tired of repeatedly emphasizing the responsibility of the Council of Ministers and therefore also the responsibility of their respective national governments. The public must know whose duty it is to act.

It has been general knowledge for a long time how dangerous oil pollution is in particular for maintaining the ecological balance of underwater flora and fauna. It is a known fact that the natural ability of the sea to break down this kind of pollution is constantly decreasing, especially in the colder regions of the world, and that pollution of this kind has become almost a permanent problem. Perhaps, however, we have already become too accustomed to our oil-polluted beaches. Perhaps the reports of birds dying on our coasts have become a normal occurrence for us. It is a scandal that there are still ship's captains who are irresponsible enough to clean their tanks out at sea without the slightest consideration, thereby contributing considerably to the high level of pollution. Likewise, in the exploration industry and in the daily operating of drilling rigs precautions are often not adequate. The all too noticeable consequences are large oil slicks which drift for months across the sea, polluting the coastline and causing the death of a large number of birds.

It is no longer enough just to run checks and making those responsible for the damage liable. Perhaps we

really do need stricter measures, for example giving powers to a North Sea police force to confiscate temporarily vessels which have released oil into the sea so that the necessary measures can be implemented in the nearest port, or the power to confiscate the licence of an irresponsible ship's captain either for a limited period or for life. That is, after all, what happens to every driver who commits a traffic offence. Why shouldn't it also apply to a ship's captain?

(Applause)

The regulations governing the construction and operation of oil rigs must definitely be tightened up in order to prevent a further increase in pollution in the North Sea. For some time now there has been a call from various quarters for a conference of those States bordering the North Sea. This proposal has the full support of my group. The call for a convention on the prevention of pollution in the North Sea, i.e. a convention to be concluded between all countries which border the North Sea, is contained in a motion under Rule 47 of the Rules of Procedure which I have tabled on behalf of my group.

Under this kind of convention, for example, which would have direct application in all signatory States, the discharge of all kinds of toxic substances into the sea would be forbidden, a joint control and supervisory body, a kind of North Sea police force with executive powers, would be set up, and joint regulations governing liability and penalties would be created to help back up the proposed measures. In addition, however, facilities must be set up both to deal with ecological accidents and to promote research into the disturbance of the biological balance in the North Sea. At the same time, for example, they would facilitate the exchange of research findings. These and other measures are absolutely necessary.

I hope it is still possible to say that the eleventh hour has not yet past. The North Sea is part of the environment in which we all live. We have a great responsibility towards the preservation of our world, not only for our own benefit but also for the next generation. Let us act accordingly!

(Applause)

Mrs Schleicher (PPE). — (DE) Madam President, ladies and gentlemen, we have just heard from our colleague Mr Seeler how events have taken an alarming course. Despite a series of basic and more detailed measures to help in the fight against oil pollution in the North Sea, there are now indications of a dramatic worsening of the situation. Even more dead sea birds are being washed up on our beaches. The ornithological station in Heligoland has highlighted the problem with its 'oil report'. This report and a flood of letters to us Members drawing attention to this alarming development have led us in the Committee on the

Schleicher

Environment, Public Health and Consumer Protection to request this urgent debate, despite other issues being dealt with in our everyday work in Parliament. As you see, not only one group but two stand firmly behind this motion.

At the end of February this problem was dealt with at the meeting of Community Environment Ministers, without any of the proposals being finalized. The only measure which was decided upon was for Germany to present a memorandum in the form of a statement of their position in preparation for the International Conference on the Protection of the North Sea.

It is our opinion, however, that we still have a great deal to do. We believe, therefore, that we should make greater use of the Parliament's influence if we want to see more progress being made at the next Conference on the Environment in June. For this purpose we would like to launch initiatives which should lead to measures being taken more quickly. We believe that the legislation already in existence should be more thoroughly scrutinized and that for this reason Parliament and the Commission must do everything within their powers to expose any weaknesses in existing statutes and take appropriate action as quickly as possible.

Our motion has therefore two intentions: firstly that the Commission, together with Members of the European Parliament, look into the matter carefully on the spot, i.e. on Hèligoland, and listen to the locals involved. Secondly, we would like to see the countries concerned introduce a number of immediate measures aimed at controlling and supervising activities in the North Sea in the way which Mr Seeler highlighted.

It goes without saying that we fully support our motion. As to the Seibel-Emmerling motion I would like to point out that we fully support paragraph 1 but that we wish to abstain on paragraphs 2 and 3 because we feel that the possibilities must still be investigated as to whether the European Community is itself in a position to set up a supervisory body of this kind. We would be grateful if the Commission could give us an answer to this question, likewise as to how quickly it can help us put our emergency motions into action.

(Applause)

Mrs Maij-Weggen (PPE). — (NL) Madam President, this is certainly not the first time this House has discussed the repercussions of oil pollution in the North Sea. A large number of written and oral questions have been tabled on this very subject, and only two years ago — in January 1981 — we had a major debate on the same subject on the basis of the reports produced by Mr Carossino, Mrs Spaak and myself. The fact that we are now once again discussing the question of oil pollution — and in an urgent debate at that — is bound to give food for thought. Clearly, the Commis-

sion has not managed to translate the recommendations we set out in our three reports into policy, not to mention the Council, which has still to deal with some of the proposals which *have* been made.

The tens of thousands of oiled, sick and dead birds — including such rare species as guillemots, razorbills and puffins — which have recently been washed up on Dutch, German and Danish shores are depressing testimony of the lack of action in this respect. But even these large numbers of birds are only a fraction of the hundreds of thousands which die every year in the same area as a result of human negligence. I live only 300 metres from the North Sea coast, and I see these grisly sights every weekend.

Research has shown that the deliberate discharging of ballast water containing residual oil from tankers is the main cause of the oil slicks which have such a disastrous effect on seabirds. Of course, this kind of discharging operation has been more or less banned since 1978 as a result of the convention on oil pollution and the Convention of Bonn, but the ban has never had any real effect because of the lack of monitoring and the lack of effective sanctions.

That is why the suggestions set out in the motions for resolutions tabled by Mrs Schleicher and Mrs Seibel-Emmerling to call a conference to discuss this whole problem are so much to be welcomed. And since the Commission will have to do the preparatory work on any such conference, I should like to commend two particular considerations to its attention. Given that it would probably be much too costly to arrange intensive monitoring flights over the North Sea, it would probably be worth considering involving military aircraft in any such operations. After all, military aircraft already fly patrols over the North Sea for NATO, and anti-pollution monitoring flights would make them especially useful. Perhaps I may add that, as far as the Dutch sector is concerned, Dutch naval aircraft already perform these duties.

Another point I should like to commend to the Commission's attention relates to the imposition of sanctions on the ships that are responsible for pollution. In this respect, I go along entirely with what Mr Seeler suggested earlier. Was is there to stop us catching the culprits, forcing the said ships to make for the closest European port and holding them there until the damage has been paid for? And they could have a nice little fine slapped on them to boot. My own view is that there is no point at all in having conventions and legislation unless we also have effective monitoring and sanctions. I think it a matter of urgency that the proposed conference be convened as soon as possible, and on behalf of my Group, I would ask the House to give its full support to these two motions for resolutions.

Mrs Pauwelyn (L). — (NL) Madam President, ladies and gentlemen, only a few weeks ago I organized a

Pauwelyn

hearing in Ostend on the pollution of the North Sea and its effects on fish stocks. It was evident from all the expert views put forward at the hearing that too much waste is being dumped into the North Sea, thus jeopardizing whole ecological systems and threatening not only the livelihoods of our fishermen but also the health of consumers. Ships passing through the English Channel are transporting more than 1 million tonnes of oil a day, which means that there is a substantial risk of an accident occurring. In fact, 40 000 tonnes of oil are discharged into the sea every year as a result of accidents, quite apart from radioactive waste.

In 1982, no less than 330 000 tonnes of iron found its way into the North Sea, not to mention the masses of waste water, chlorine compounds, phosphates, nitrates and other organic substances which pollute the water. In some cases, the effects of dumping so much waste are appalling. Over recent weeks, thousands of dead seabirds have been washed up on the coast of Brittany clogged with oil and tar, and for most of them, there was no hope of survival. And what makes the whole thing worse is that the special monitoring points along the French coast found no vessel contravening the rules on the discharge of oil. Nor did the aircraft and helicopters come across any large-scale oil slicks. In other words, it is becoming more and more difficult to detect illegal dumping practices, which means that we absolutely must set up a reliable system for monitoring marine pollution.

I shall refrain here from going into detail as to what steps should be taken to combat and prevent marine pollution. I should just like to draw your attention to two cases which could enable us to improve the effectiveness of the measures designed to combat hydrocarbon pollution. Firstly, a number of ports already have facilities to enable ships to get rid of their waste oil. This is something which should be extended to all ports in the European Community.

Secondly, we must adopt a much more rigorous attitude with regard to oil pollution. In the Netherlands, we already have a system whereby it is possible to detect oil slicks from aircraft equipped with radar and infrared facilities 24 hours a day and in any kind of weather. Should this method prove to be effective, it is worth recommending its adoption throughout Europe. It can only be in the interests of our fishermen, our consumers and our flora and fauna for the European Community to get moving at last on a more active anti-pollution policy.

Mr Nyborg (DEP). — (DA) I can perfectly well understand that the people living in Heligoland and on the North-German coast should have felt a need for new initiatives this winter. However, I think it would also be in place to raise the question of whether or not the North Sea is already adequately catered for as regards environmental monitoring, i.e. whether we should really use our resources in an area where an

efficient system is already in operation. There is scarcely a maritime area in the entire world which is monitored as systematically as the North Sea. Ever since the conclusion of the Bonn Agreement in 1969, the countries bordering on the North Sea have been stepping up their cooperation with a view to protecting the marine environment. One of the most recent developments is an inspection system which permits the authorities in all the North Sea ports to inspect ships in dock. In this way, they can check the standards maintained and the equipment with their own eyes. We cannot prohibit substandard ships from sailing, but this inspection means that the environmental authorities of the various countries can warn each other when a risky ship is sailing in the North Sea.

In principle I can go along with a German initiative for a conference but, as I said before, I would strongly advise against allowing our enthusiasm to run away with us and ending up with a duplication of effort in this vital area. Finally, I would question whether the Commission is the right body to take the initiative for a conference of this kind since we already have excellent cooperation with third countries on matters concerning the North Sea. I should like to conclude by saying that I support these initiatives, but would at the same time sound a warning against duplication of effort. Let us make the best possible use of our resources.

Mr Eisma (NI). — (NL) Mr President, both the European Parliament and the Commission have taken the initiative on a number of occasions since 1979 with a view to tackling the problem of oil pollution in the North Sea. And yet, despite these efforts, a large number of seabirds have died over the last few months as a result of just that kind of pollution. Alarming reports are reaching us not only from Heligoland but also from the Dutch coast.

The Members who have tabled this motion for a resolution ought to be aware that the Committee on the Environment, Public Health and Consumer Protection is currently studying this question. We shall in the near future be discussing the second and — I hope — final version of the 'North Sea report' with a section devoted to oil pollution. However, that does not alter the fact that we shall be voting for the two motions for resolutions. The question we are bound to ask ourselves is how it is possible that something nobody wants is in fact happening, thanks to the activities of just a handful of people who are causing the pollution. How is it possible that a number of ships are allowed for financial reasons, to cause many times that amount of damage to our flora and fauna.

Madam President, I do not believe that it would be of any real assistance to hold a hearing on Heligoland, as the Schleicher resolution proposes, or to call an urgent conference, as Mrs Seibel-Emmerling would like to see happen. The causes are all too well known to us.

Eisma

The important thing now is to keep a sharper watch and impose more rigorous fines on those who are actually responsible for these outrages. I can also go along entirely with the suggestions made just now by Mr Seeler. Accidents on oil rigs can usually be localized and dealt with, which means that a sharper watch should be kept on shipping. While this is technically possible, the Member States are not prepared to make available all the requisite financial resources. It is therefore up to the Commission to come up with proposals as spelt out in Mrs Schleicher's motion for a resolution, with particular reference to paragraph 2. Any such proposals should be made in good time to enable the forthcoming Council of Environment Ministers to take the necessary decisions. Can the Commission give us an assurance in this respect? I would appreciate it if Mr Narjes could give us a clear answer on this point.

IN THE CHAIR: MR ESTGEN*Vice-President*

Mr Narjes, Member of the Commission. — (DE) Mr President, as in the past, the Commission feels it can fully identify with the political objectives contained in the Schleicher and Seibel-Emmerling motions for resolutions.

May I point out on behalf of the Commission that an initiative was put forward by the German representative only a few days ago during the last European Council meeting, which proposes the convening of an International Conference on the Protection of the North Sea. The Commission welcomed this initiative and intends presenting the Council with a draft directive before the middle of 1983. It charges each of the Member States — and this is also intended as an answer to Mr Eisma's question — with introducing joint measures, intended both to impose stricter controls in the North Sea and to combat more effectively the problem of oil pollution. This initiative will be acted upon, at the same time keeping in mind that the Marpol Agreement will finally take effect as from 2 October, and that we can expect a noticeable improvement in the level of pollution in the North Sea as long as this agreement is implemented strictly; perhaps even by tightening the penalties for offences, which a few years ago were thought to be adequate.

The Commission is in a position to give its full support to the Heligoland resolution. It would serve as a suitable starting point for the International Conference on the Protection of the North Sea. The results of the Heligoland hearing could then be evaluated at this conference.

As for the other question as to whether it is within the Commission's competence to set up a supervisory network, may I firstly point out that it would require a decision under Article 235 of the Treaty of Rome, which in all probability would not be given since up till now with only one exception, no such immediate administrative responsibility has been conferred upon the Commission. We are constitutionally dependent on these measures being carried out by the Member States, coordinated at Community level and systematically monitored by the Commission.

However, that would only be a question of the administrative and hierarchical structure of a network of this kind. A much more serious problem for us is that the Commission's areas of activity, just as in other areas of environment policy, are — and I would like to emphasize the word strongly — extremely restricted by a shortage of staff, which can only be solved by the political allocation of a far greater number of officials in the next few years. The Commission has exhausted all internal resources to try to overcome its current staff shortage. It can only be solved by political decisions taken by the institutions which have a say in the budget, i.e. including the European Parliament, otherwise all our initiatives in this area, not to speak of other related matters, for example the problem of transfrontier air pollution, will be starved of resources. I would like to conclude by giving the assurance that we shall continue to do everything in our power. We expect that air pollution and the question of the North Sea will be the main subjects of debate at the next meeting of the Environment Ministers in June, alongside the pollution problem caused by motor vehicles, and we would hope that the European Council will tackle the question of environmental protection in the not too distant future and take decisions accordingly.

President. — The debate is closed.

Vote¹

American agricultural products

President. — The next item is the motion for a resolution (Doc.1-1384/82/rev.), tabled by Mr Fanti and others on behalf of the Communist and Allies Group and Mr Glinne and others, on sales of American agricultural products to Egypt.

Mr Wurtz (COM). — (FR) Mr President, it would be a good idea to remind ourselves first of all of the basic facts of this wheat flour case. Egypt is one of Europe's traditional markets for this commodity. Up

¹ See Annex.

Wurtz

till now France has sent half her flour exports there. The rules of international trade have been observed by the European side; moreover, GATT has just given recognition to the fact by dismissing the American case.

It is, therefore, in a totally arbitrary fashion, in flagrant violation of the GATT agreements, that the United States has captured the Egyptian market by offering prices of 25 dollars a tonne less than the world market price. With all the finesse of a bronco-buster they chose to act at the very time when discussions were being held on trade in agricultural products. In case American intentions were not clear to everyone, the Secretary of Agriculture, Mr Block, made the point of repeating his government's decision 'to pursue an aggressive agricultural export policy.' The Commission's Director-General for Agriculture, who is not renowned as a champion of resistance to American pressure, has himself admitted to us that his partners in discussion on the other side of the Atlantic stated plainly that they were aiming deliberately at those sectors where they knew they would embarrass the Europeans most.

Besides that, it is a matter of common knowledge that other such contracts are planned, involving specifically 24 000 tonnes of butter and 12 000 tonnes of cheese, and that at a price of up to 40% below the world market price. This threat will become even more serious since the agriculture committee of the American Senate has just recommended that financial credits be made available in order to facilitate low-price exports of 150 000 tonnes of milk products to all markets. So it is definitely a large-scale offensive, which in our view calls for a large-scale counteroffensive. Is the Commission willing to lift restrictions imposed on the sale of butter to the Soviet Union? Is it willing to take the necessary countermeasures in the wheat flour sector? It is of course true that some positive initiatives have already been taken. The French Government has adopted a clear position. The Commission has finally lodged a complaint with GATT, but we still have a long way to go.

We ourselves have either carried out or supported a number of measures in every possible direction, our only concern being that they should be effective. It is up to the Commission to take a number of urgent decisions. It is our responsibility to create the right conditions. Today's initiative is in line with this firm determination to find a constructive solution.

While we are on this subject, may I welcome to the House a delegation from the national leadership of the French trade union CGT, representing the agricultural and food industries, and also union officials from all the major flour-mills in France. They have come from Paris, Corbeil, Pantin, Lille, Lyon, Bordeaux, Marseille and, last but not least, from Strasbourg. Their presence here will help to illustrate the human and social i.e. political in the true sense of the word —

dimension of the issue we are now debating. You must realize that the American action — which, according to official Community estimates, represents a loss of 30 million dollars to Europe — will deprive these men of twelve days work per month. This simple statement of fact brings home to each and every one of us where our responsibilities lie.

Our motion contains in particular the wish of each one of us here who, like ourselves, spoke out (last month) in favour of holding a special session on unemployment and have expressed their wish today to push ahead on this issue by defending the right to work both of the flour — mill workers and of the farmers involved. If this is in fact the case, our resolution will receive a comfortable majority when voting takes place in a short time. This would be a great boost to these men and women; they would thus have considerable support in their just struggle.

I would add that a clear vote for the motion by this House in this exemplary issue would also bring it home to public opinion that the notion of a Europe which knows how to defend the interests of its peoples by not letting anyone lord it over them is no longer Utopia. Let us show that we do not belong to those who turn the other cheek or, if you prefer a less biblical image, let us draw a lesson from the old Arab proverb: 'If you are outwitted once, that is a point for your opponent, but if he does it to you a second time, you may as well admit that you only have yourself to blame.'

(Applause)

Mr Thareau (S). — *(FR)* Mr President, American attacks on the common agricultural policy, which have never let up since it was created, have now reached unprecedented proportions. The consequences are not only hard for agriculture but also for the workers in the flour industry since the most important mills in and around Strasbourg alone will lose one half of their production with the disappearance of the Egyptian market; this is only one example and unfortunately only the beginning. Far from being a simple change of fortune, sales of American wheat flour to Egypt, at a price far below the world market price, raises a truly fundamental problem, a political problem. What kind of pressure does the Community have to exert in competition with the main world exporters and with the United States in particular?

The Americans have criticized us for excluding their products from our own markets. We have also been criticized for overdeveloping our agriculture and competing with them on the markets of non-member countries. These accusations do not hold up to a close examination of the figures. During the last five years the Community deficit in agricultural and food production has risen to reach a present figure of 30 000 million dollars. During the same period the US

Thareau

showed a surplus in agricultural and food production, representing a 100% increase to more than 25 000 million dollars. In the trade in agricultural products between the EEC and the USA, the latter sells five times more to the European Community — 10 000 million dollars worth — than it buys from it — 2 000 million dollars worth — and this in spite of the revaluation of the dollar. The increase in Community agricultural exports, despite its overall deficit, is an actual fact. It is largely due to the fact that to balance its market the Community has to re-export what it imports in excess of its actual requirements. These import surpluses are often the result of concessions to which the Community consented under GATT, after having bowed to American pressure in return for an American commitment not to jeopardize the workings of the CAP. But how can we always agree to give in to American pressure? Mr Block's recent statement, of which we were reminded only a moment ago, is evidence enough of their intention to adopt 'an aggressive export policy' by selecting 'targets and products'. After flour, why not butter and cheese, which are currently under negotiation?

But there is more to the problem than just agriculture, which is regarded all too often as industry's poor cousin. This problem is bound up with the economic and political relations between the two giants. Europe must react by taking a firm stance and must refuse to dance to the tune of any so-called 'protector'. She must refuse to give in to the interests of the great economic powers. She must also refuse to agree to a situation where the United States would become the sole exporter of food to the Third World, thereby undermining any chance of its remaining non-aligned, which is so absolutely necessary for its development. It is then with these far-reaching implications in mind that we ask for your support for this motion for a resolution.

Mr Früh (PPE). — (DE) Mr President, ladies and gentlemen, we look upon this motion for a resolution with mixed feelings. Firstly, because it is our opinion that we already have a common agricultural policy. I hope that the House in general shares this opinion. I would, therefore, have very much welcomed the chance to take a wider approach in tackling this serious issue.

I hope that the authors of this motion do not intend to use it for election purposes, the next round being on Sunday in France. It is not just French agricultural interests which are at stake. It would probably have been better, and we would have been able to come to agreement more easily, if the motion had taken a wider approach.

In any case we agree with the general approach, and we should state very plainly that the European Community and the United States of America must finally sit down at the discussion table as equal partners in

this matter, otherwise the whole business will and must go wrong. I hope that everyone is aware of this, and in particular the Secretary for Agriculture, Mr Block. Some of his words in Brussels have already had an unpleasant ring to them — the Commissioner will remember this — and as far as I know it was the American Secretary of State who was in close proximity at the time, who probably advised him to tone it down somewhat. That in fact was the case, and I hope it remains so. It is not quite right to believe that the gestures of good will by the Commission have not been sufficiently appreciated. The Commissioner can perhaps confirm this: the Commission is in a difficult position; it is dealing with a government which knows exactly what it wants which stands up resolutely for its farmers. The Commission, on the other hand, is not the European Government. Perhaps one is also aware that the Commission is made up of ten different countries, each representing different interests and opinions. The Commission as well as the Council should make it clear that they are defending the European agricultural policy, which is of course consolidated in GATT, and I would like to thank Mr Genscher for doing just that. We must be straight with one another.

In spite of all our reservations I may say that we are behind this motion as long as you delete paragraph 5. We are not in agreement with what it says: . . . 'and to discontinue negotiations with the United States over trade in agricultural products.' There must be a serious dialogue between us. The United States must be made aware that we mean business; then, I am sure, we will come to a suitable agreement, for we are partners together in this world. We cannot act jointly in the cause of freedom and at the same time be at each other's throats as we are at present.

(Applause)

Mr Welsh (ED). — Mr President, there is a rich irony in the fact that on the day when Parliament voted in the morning to remove practically all restraints from the CAP, in the afternoon we should be debating the consequences and find we do not like them very much. What we are actually saying is that whereas it is perfectly all right for us to dispose of our surpluses where and how we like and with what restitution we wish, if the Americans do the same thing with their surpluses, it is somehow unfair and not done. We have a word for that in English: myopia. It means being able to see only your own point of view. It is very impressively illustrated in this resolution. We see, for instance, that the US Secretary for Agriculture is criticized for wanting an aggressive export policy, but then we see that we want, if we look at paragraph 6, a dynamic export policy. What is the difference? Aggressive — dynamic: their aggression, but our dynamism. The one is a retaliation for the other. Then we see a lot about the pledges of good faith given by the Commission. What about the Parliament in all this?

Welsh

I remember when the Commission said that its policy over the next five years was to bring Community cereal prices a little closer to world levels. What did the Parliament do about that? It let the Commission down. It repudiated them. It actually demanded that prices be increased well above world levels. And now, my friends, we are complaining about the consequences!

Mr Wurtz, no doubt anxious to impress the people in the gallery as usual, was very free with his courage to fight the Americans with other people's money. As long as there is a budget, do not worry about the taxpayer; let us go on spending and spending and spending in pursuit of an ideological absurdity!

Well, we represent the consumers of Europe as well, and the taxpayers, and we are not prepared to see their money wasted on the idle dreams of such as Mr Wurtz. When we see, in a resolution like this, the words 'suspend negotiations', we wonder: have we all gone mad? Do we really want to fight a trade war with the United States, whose resources are infinitely greater than those of the Community, when the Community itself is approaching the ceiling of its own resources? Is this what we really want? Certainly not, Mr President!

I appeal to all colleagues who have any sense of balance and reason to vote this terrible resolution down.

Mr Denis (COM). — (FR) Mr President, within the context of this important debate and after the meeting of the ACP-EEC Joint Committee which took place not long ago in Kingston, I would like to point out how the sale of American wheat flour to Egypt justifies once again the necessity for the European Community to sign a long-term contract with the developing countries, and specially with the ACP States. These multiannual contracts for the supply of agricultural products were contained in a formal proposal by the Commission. They have the support of several Member States, including France. They are also wanted — and I can testify to this since being in Kingston — by our ACP partners. Is the Commission going to press the Council to agree to the proposal to draw up long-term contracts, or are we going to let the United States take control of the Community's traditional markets? I would like, Mr President, to hear an answer to this question here, and a positive answer at that.

(Applause from the left)

Mr Maher (L). — Mr President, I think all of us are deeply concerned about the situation that has developed between the European Community and the United States of America in relation to the export of various agricultural products. I am one who very definitely believes that we should not have a confronta-

tion or a trade war between the USA and the European Community, because I am not convinced that either of us could win, or that either the farmers of the USA or the farmers of the European Community are ultimately going to benefit if there is an outright trade confrontation. In fact, the only people who would probably benefit in the longrun are the Russians, who would, of course, get cheaper products. . .

(The President urged the speaker to conclude)

I just want to make a final point, Mr President. I believe that we ought to try at the highest level, between the President of the USA and his *cabinet* and the Presidency of the European Community, to meet and resolve this problem. I do not think it can be resolved at official level, and I think that is the only way we can find a solution.

Mr Mouchel (DEP). — (FR) Mr President, the fact that the Americans have taken control of the Egyptian wheat flour market and, as from a few days ago, the market in milk products, is obviously very regrettable, all the more so since this was done in contravention of the GATT agreements. That really takes the biscuit when you realize that the Americans moved in on this market just after the Commission representatives had visited Washington.

One may well wonder whether the Americans did it without giving any warning — which would be very unfortunate since the meeting would have been a waste of time — or whether the Commission lacked determination. It is perhaps both — I do not know. In any case, it is our mistake to point out our weak points to our rivals. To say that the common agricultural policy costs too much and that we cannot keep it up is to encourage our rivals to attack us and bring market rates tumbling down. It is obvious — since we said it ourselves — that they know in advance that we cannot keep up. We are forging the weapons which our enemies then turn against us. I feel that it is about time we reacted and showed our firm determination to win over markets and not to lose the ones which we already have.

Besides the damage caused to farmers it is very much evident — and this has been mentioned by several of our colleagues — that this bodes ill for the job situation in French mills. There we have a very good example of the link between the agricultural sector and the employment market.

Mr President, it is for these reasons that our group will vote in favour of the resolution before us.

Mrs Gredal (S). — (DA) Mr President, I should like to stress that I am speaking on behalf of the majority of my group and as chairman of the Parliamentary delegation to the United States Congress, since there

Gredal

should be no doubt about the fact that I am deeply concerned about the behaviour of the United States as regards sales of wheat flour to Egypt. There can be no doubt that this is a flagrant and unacceptable infringement of the GATT rules and an act which aggravates the already serious conflict between the United States and the Community in the agricultural field, which was one of the main points we discussed at our January meeting in Athens with a delegation from the United States Congress. However, I should like to stress that in our experience in this delegation political resolutions do not contribute towards solving the problems when trade conflicts are involved as, for example, in the steel sector. Indeed, the opposite would tend to be the case.

Political resolutions full of accusations as contained in the motion for a resolution can be counterproductive. I would prefer a more positive approach involving keeping a lower profile, establishing contacts with our colleagues in the United States Congress and in this way bringing our influence to bear. We should not address resolutions to third countries which are really more or less a type of propaganda aimed at our own electorate, although I might add that the United States would appear to be doing the same sort of thing in some of the statements it makes.

The authors of this resolution call on the Commission to adopt a more resolute stance and to institute immediate proceedings under GATT. The Commission has in fact already done this, i.e. it has lodged a complaint with GATT regarding the American sales of wheat flour.

Thus, this motion for a resolution is not up to date. As I see it, it militates against our objective which is to find a solution to the trade conflict between America and Europe, and the majority of my group intend to vote against it.

Finally, I should like to say that this Parliamentary delegation is very much preoccupied with this matter, as I hope you gathered from what I said at the beginning. However, I should like to inform you that I have sent numerous letters to our Parliamentary counterparts in the United States Congress on this matter and referred to our discussions in Athens and the statements they themselves made when we discussed the matter at our meeting in that city, which lasted several hours. This approach, whereby we attempt to bring influence to bear and provide our American colleagues with information, is, I think, much more important and better than broadcasting resolutions.

Mr Dalsager, Member of the Commission. — (DA) Mr President, on 12 January the American Minister of Agriculture, Mr Block, announced that the United States intended to sell the much discussed 1 million t wheat flour to Egypt at an agreed price. He said that this sale would be made on special credit terms and

that flour from Credit Commodity Cooperation stores would be used. The Commission immediately asked the United States for precise details regarding this sale, which should be considered in the context of Egypt's significance as a traditional market for Community wheat-flour producers. The Commission promptly informed the Member States of this action on the part of the United States and the implications of an agreement of this kind both for Community exporters and for the talks initiated with the American authorities in Brussels and Washington with a view to settling the disagreements between the Community and the United States on agricultural matters.

In the light of new information on the contents of the agreement between the Egyptian and American authorities, the Commission takes the view that the sale of wheat flour would only be possible with the aid of export subsidies which are incompatible with the United States' obligations under GATT. For this reason, the Commission issued, on 4 February, an official invitation to the United States to hold talks in connection with the GATT provisions which had emerged from the last Tokyo round concerning a code of practice for subsidies and countervailing duties. The aim of these talks was to obtain a picture of the facts of the situation with a view to finding a mutually acceptable solution. The talks were held in Geneva on 2 March and, after informing the Article 113 Committee, the Commission decided to proceed to the next phase in the GATT procedure, i.e. the multilateral conciliation phase in the GATT committee on subsidies and countervailing duties.

I think, therefore, that the Commission has taken all the measures which are compatible with its obligations and rights within GATT with a view to protecting Community interests. I should like to say that the Commission takes the view that we should make the maximum possible use of the scope available for negotiation with a view to solving these problems and I should also like to add that even if we fail to solve them in spite of our willingness to negotiate, the Commission feels that it is its duty to defend the Community's interests.

President. — The debate is closed.

Vote ¹

Electric cable link

President. — The next item is the motion for a resolution (Doc. 1-1371/82), tabled by Mr Sassano and others on behalf of the Group of the European Peo-

¹ See Annex.

President

ple's Party (CD Group), on the laying of an electric cable between Greece and Italy.

Mr Sassano (PPE). — *(IT)* One of the basic aims of the Community, Mr President, ladies and gentlemen, is the socio-economic development of the Member States, and the availability of electrical energy is an essential precondition for guaranteeing this development.

There is no doubt that strengthening infrastructures between the Member States is not merely technically worthwhile, but is also a psychological aid, reinforcing the feeling of being part of a community.

Energy supply, and particularly electrical grids, are already interconnected in virtually all the Community Member States, so that large amounts of energy are already being exchanged.

The only country which is not yet linked up with the rest of the Community in its electrical grid is Greece, and it therefore appears essential to establish a proper connection with that country.

Since there is no overland connection with the other Community Member States, it is necessary to connect Greece with the rest of the Community by means of undersea cables.

Greece is trying to implement a particularly interesting energy plan which provides for a conspicuous increase in energy production by 1990, using both hydroelectric and lignite power stations. The result should be a notable drop in oil consumption, in accordance with guidelines laid down by the Community.

It would be highly mistaken not to provide Greece with a suitable interconnection with the Community's electrical grid — as has been done for other countries, which can count on an inevitable amount of give and take as regards electrical energy exchange. An undersea cable link does not present any special difficulties given the present level of technology, but the cost that will have to be borne cannot be ignored.

The Community does indeed recognize the importance of building infrastructures in the Member States and that is why it set up the Regional Development Fund to finance projects of this kind, but it is also true that the project we are now discussing is of absolutely exceptional political value.

On the one hand, it involves Greek — to whose culture we all owe so much — and on the other, the Community, whose duty it is to offer something tangible to the most recent member of the Community by constructing a solid and functional link with it.

For these reasons, the Community's contribution cannot be confined to the limits laid down by the

Regional Fund, but must take on the necessary financial burden in order to give a clear demonstration of the Community's will to assume responsibility for a project whose political value — for the first time — could appear to surmount selfish national interests.

(Applause)

Mr Markopoulos (S). — *(GR)* Mr President, the electricity consumed today in Greece originates both from domestic sources — hydroelectric schemes and coal — and from imported, exchange-consuming oil. Furthermore, it is a well-known fact that the level of industrialization in Greece is not satisfactory, and that an attempt is being made to bring Greece up to the level of the other developed countries, which would be to the advantage of both Greece and the Community.

For these two basic reasons Greece is facing the problem of under-utilization of its energy resources, which could be solved by exploiting all its domestic sources, which is the aim of the long-term energy programme being prepared by the present Greece Government in its two five-year plans. Until this is achieved, of course, Greece is obliged to import energy. However, it intends to act within the framework of its present overall foreign policy with the aim of freeing itself from its one-sided dependence on oil, which is indeed the aim of the whole Community.

Importing natural gas from the north and linking Greece and Italy by means of an electric power line are tangible manifestations of this policy.

This electrical link will be a new departure, because of the great depth at which the power line will be laid, and will confirm the strength of Community technology at international level.

Furthermore, the link will have the following advantages:

The national grid of Greece will be linked with the national grids of the Community, and once the South Italy-Greece-Yugoslavia-Northern Italy circuit is closed, the Community grid will be complete.

Secondly, production costs will be reduced in both countries and the risk of a power failure will be reduced.

Thirdly, there will be benefits from the difference between the hours of peak demand, the fact that breakdowns will not occur simultaneously, and the merger of power reserves, thus avoiding more costly investments.

Fourthly, the Community's supply of electricity will be improved, since Greece, as we are all aware, is already connected with the Eastern grids of Albania, Yugoslavia and Bulgaria, and will thereby act as a bridge

Markopoulos

between east and west, with a mutual exchange of electricity.

Fifthly, a boost will be given to regional development in western Greece and southern Italy, since it will be possible to build complementary electricity schemes—hydroelectric ones in western Greece and thermal ones in southern Italy. Any further dependence on dollar-consuming oil will therefore be reduced, in accordance with the basic energy objectives of the Community.

Sixthly, there will be wider scope for the activities of Greek and Italian industrial complexes, with all the ensuing beneficial results, especially in employment.

Seventhly, valuable experience will be obtained and useful conclusions drawn from the construction of the line for any future linking of Greece and Italy by means of a natural gas pipeline.

For all these reasons, and especially in view of the high cost of construction — 400 million dollars — we therefore call for a vote in favour of the Sassano report and for additional funds for the work from the Regional Fund.

(Applause)

Mr Bournias (PPE). — *(GR)* Mr President, I should like to thank the two previous speakers for all they have said, which I therefore need not repeat. I shall go back in time and claim to be the originator of this report, which dates back to when Greece entered the Common Market, when we realized that our country should be linked with the Community countries, which were already interlinked.

We therefore drew up and submitted this report with Mr Sassano and other Italian colleagues in July of 1981 — I would stress this — which we are now discussing almost two years later. However, I am certain that this is the end of the affair, since the importance of this project both for the two countries involved and for the Community has now become accepted. The southern part of Italy will be linked with the island of Corfu and then to mainland Greece. Major effects are anticipated, Mr President, since not only farmers and industrialists but everybody, especially at peak times, will be able to receive adequate electrical power.

I therefore hope that no one will oppose this outlay from the Regional Fund, since the Study is already completed and both countries are proceeding to spend money on the sub-stations, of which there will be many. In this way we will finally be able to provide electricity for the remotest Greek village.

(Applause)

Mr Seligman (ED). — Mr President, I would like to congratulate Mr Sassano and his colleagues on bring-

ing forward this proposal. It could be a major contribution to substituting coal and nuclear energy for oil in electricity generation, thereby reducing oil imports into Greece. Greece will also profit from the surplus production of nuclear power from France and the surplus stocks of coal in Britain. So it has a real Community basis.

I also agree that it will make it possible to integrate peak demand for electricity in Greece and the rest of the Community. This is another plus factor.

But I do query preamble G, which says that there are no technical problems involved in such a link. I bow to Mr Sassano's superior technical knowledge, but I think there must be many technical problems still to be solved.

Firstly, the electricity has to be converted into direct current to go such a long way, and there will be a major loss of power. That is a problem that has got to be solved. We have this problem in the British trans-Channel link, although we are solving that, of course. We have also solved the problem of laying the cable. So there is a lot of consultation to be done.

I do query recommendation 1, which says that an electrical link undersea should be constructed between Italy and Greece. I think that is going much too fast, and I would much prefer the resolution to say that we take the actual decision to go ahead.

Mr Ippolito (COM). — *(IT)* Mr President, ladies and gentlemen, we are clearly opposed to the motion for a resolution tabled by Mr Sassano and others on behalf of the Group of the European People's Party, not because we are opposed so much to the idea of a direct electrical link via undersea cable between Italy and Greece — which is both politically and technically worthwhile as an idea — but because of the timing of such a project.

First of all, there is the critical situation with regard to the Italian electrical system, which imported about 8 % of its electricity requirements in 1981 from neighbouring countries — principally France — at a much lower price than the kilowatt-hour cost produced in Italy. Secondly, Greece is now able to produce all the electricity it needs and is building hydroelectric and geothermic power stations at a fast rate, partly due to Italian technical assistance in the field of geothermal energy. All these factors mean that the urgency of such a link cannot be justified.

Therefore, this project has no right — in our opinion — to be given top priority, especially as highly detailed studies still need to be carried out on the geology and oceanography of the area, to ascertain what the sea bottom conditions are like, the movement and size of currents on the sea bottom and in order to specify — given the characteristics of the two networks to link up — the technical features of the undersea cable.

Ippolito

I do not have the time to contest some of the serious technical inaccuracies that have been voiced by previous speakers, but I agree that the problem must be studied and will probably have a place in the future. It is just that, to us, it seems pure propaganda to approve as topical and urgent Mr Sassano's motion for a resolution, when there are so many other urgent and priority projects in the social and economic fields which also need to be financed by the Regional Development Fund.

Mr Giolitti, Member of the Commission. — (IT) Mr President, the Commission is considering with due attention the content of the motion for a resolution under discussion, together with what has been said in today's debate. However, I have to inform Parliament that so far no request has been made for a contribution from the European Regional Development Fund, which really is the only financial instrument capable of giving Community aid in order to carry out this infrastructure project.

I must also draw Parliament's attention to the fact that any contribution from the Regional Fund would be governed by the regulation and that, therefore, the point in the motion for a resolution stating that Parliament would like the aid provided for under the Regional Development Fund to be increased cannot be put into effect. Aid provided for under the Regional Development Fund can only be granted in the way laid down by the regulation and cannot be increased — if we can put it like this — just to take account of the particular features of an individual project. However, as I was saying before, up to now no project has been submitted for examination. If one is submitted, the Commission will examine it with due attention, as I have already promised.

Mr Purvis (ED). — On a point of order, Mr President. It seems from the debate which has taken place on this item that there are a lot of technical details that need to be investigated. I wonder if I could ask Mr Sassano whether he might withdraw this motion, submit it under Rule 47 to committee so that it can be investigated in depth in committee, with the Commission, and come back with a proper feasible proposal. Otherwise I am afraid it will just be a sort of resolution in the sky which will have very little effect.

President. — Mr Sassano, what do you think of the request by Mr Purvis?

Mr Sassano (PPE). — (IT) It really would be a mistake to withdraw the motion at this point, Mr President, as it would mean we should not be making any progress in establishing a link between Italy and Greece.

We listened to Mr Ippolito who got up and said the exact opposite. But what is he against? We need links,

with Britain as well, and we need these links in Europe. It really would be bad if Britain stayed as it is now because Greece is in the process of creating an energy grid and it really would be a mistake to call a halt.

The Commissioner told us that no request had been lodged. This is understandable because the unfortunate fact is that southern Europe has not yet a chance to assess its impact on the rest of Europe. If you ask me, Mr Purvis, this really is the moment when we have to insist that at least a start is made on considering the feasibility of the proposal, as this would already be a big step forward. I hope the House will go along with my point of view.

President. — It is obvious that you are not withdrawing your motion, Mr Sassano.

Mr Seligman (ED). — Mr President, Mr Sassano did say at the end that we should examine the feasibility. If he would change that paragraph 1 to *examine the feasibility* we would vote in favour of the resolution.

President. — There is no definite proposal along those lines. The debate is closed.

Vote¹

Snow storms in Crete

President. — The next item is the motion for a resolution (Doc. 1-1382/82), tabled by Mr Ephremidis and others on behalf of the Communist and Allies Group, on the snow storms in Crete.

Mr Adamou (COM). — (GR) Mr President, I do not intend to keep the House long. I merely wish to point out that on 5 January a major disaster struck Crete, a region which is facing more general economic development problems and is therefore, for this reason, included amongst the regions aided by the European Regional Development Fund.

The snowstorms and frost have ruined orange and olive oil production and severely damaged its livestock farming. This means that three of Crete's basic economic sectors have been hit. Thousands of farmers are therefore facing a severe problem of survival. In the motion we have tabled we call upon the Commission to provide direct support for farmers whose crops have been destroyed and to contribute to the implementation of programmes for the development of the

¹ See Annex.

Adamou

regions in Crete which were damaged, especially the mountainous areas.

Mr Bournias (PPE). — (GR) Mr President, I should like to thank the Group of the European People's Party, which has entrusted me to speak on its behalf, and to inform you that our group supports the Communist motion. I need not remind Mr Efremidis that recently, in the Political Affairs Committee, he said for the first time: 'I agree with Mr Bournias'. I always agree with you on apolitical subjects, such as the one that we now discussing.

Mr President, the damage which has been done to the heroic island of Crete by the snowstorms and frost is unprecedented. Moreover, such occurrences have been common this winter throughout the whole world.

Many farmers and livestock owners are in a wretched situation. It is therefore absolutely essential that this motion be approved.

Mr Dalsager, Member of the Commission. — (DA) Mr President, I should like to point out that the Commission receives a number of requests from Parliament on issues like this one. In fact, though, the procedure is more or less the opposite. The Commission has received no official request for emergency aid for the people of Crete as a result of the snowstorms referred to in the motion for a resolution before us now.

As the Members will know, the Commission makes emergency aid available only at the request of the Member State involved, and the Commission is prepared to examine each and every request it may receive from the Greek Government regarding the disaster which I understand has occurred on Crete. As soon as we receive a request to this effect, the Commission will give its attention, and if the extent of the damage is found to be on the scale described in the motion for a resolution I am sure we shall be prepared to help.

President. — The debate is closed.

*Vote*¹

After the adoption of the resolution

Mr Nikolaou (S). — (FR) Everyone agrees when it comes to disasters, Mr President!

President. — Fortunately that is so. With the vote on this item we have come to the end of the topical and urgent debate.

5. Containers of liquids for human consumption

President. — The next item is the report (Doc. 1-1187/82), drawn up by Miss Hooper on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the

proposal from the Commission to the Council (Doc. 1-223/81 — COM(81) 187 final) for a directive on containers of liquids for human consumption.

Miss Hooper (ED). — *rapporteur.* Mr President, many proposals that come before this Parliament are considered controversial. Few can have excited as much consistent opposition as this particular proposal on containers of liquid for human consumption.

The Commission document before this House is in its tenth draft and represents over five years' work, consultation and compromise by a Commission which is short-staffed and over-worked, certainly as far as environmental matters are concerned. The time, energy and expense which this process has entailed for the outside parties interested I leave to your imagination. This is why our committee felt very strongly that on future occasions, when considering proposals on what is clearly going to be a controversial topic, a Green Paper procedure should be used whereby a discussion document is made available to the public at large, thus giving anybody and any organization interested the opportunity to make representations which can be taken into account when drawing up proposals or, indeed, can help the Commission to decide whether legislation on the subject is needed at all.

I fully appreciate that the objects behind this proposal — to conserve raw materials and energy and diminish the quantity of household waste which has to be disposed of, often at considerable cost — are highly desirable. If I had felt that the Commission proposals would achieve these objects, I would have endeavoured to persuade the committee to support them. As it is, the majority of the committee came to the conclusion that a directive was not a proper vehicle for this purpose — certainly not a directive in the form of these present proposals.

Our reasons were as follows. We felt it unnecessary to legislate where enormous strides have already been taken to encourage recycling on a voluntary basis. Rather than quoting endless statistics, I would refer Members to the explanatory statement in my report, which goes into some detail on this subject. We also felt — and the Committee on Economic and Monetary Affairs endorsed this feeling — that the proposals would do nothing to prevent the creation of non-tariff barriers and might even encourage their creation, and would certainly give the Commission no greater powers in this respect than they already have under the Treaty. We felt that the proposals fail to take into

¹ See Annex.

Hooper

account technical innovation. We felt that their implementation would jeopardize the consumer's choice, distort retail distribution systems and, in particular, raise storage and public-health problems for small businesses. We felt, too, that the scientific basis and statistical information which had given rise to so much criticism were reprehensible and that the drafting of the document was unnecessarily sloppy.

I appreciate that the Commission have endeavoured to meet many of the points made to them in the course of the five years of consultation and that they have changed very much in the original draft, watered down the proposals and made them more flexible. We welcome this readiness to change, but the fact of the matter is, Mr President, that what we are left with now is a proposal which, in my view, amounts to legislation simply for the sake of legislation. So, if we were disinclined to approve a proposal for a directive, why did we feel that it should be replaced by a recommendation? Some people consider that a recommendation is not worth the paper it is written on and that it will not in any way be effective. This may be so. Nevertheless, a recommendation remains a valid legal instrument under the Treaty, available for use. In any event, some members of the committee felt that member countries should be encouraged to take action in the way most appropriate to them and that a recommendation could therefore be helpful in pointing them in the right direction.

I would like to point out, Mr President, that our committee has taken these proposals very seriously, partly because they impinge on every facet of our work: we have had to consider environment, public health and consumer interests. Partly, too, because of the Commission's failure to consult adequately at an early stage, we felt it essential that we should be seen to be well informed and up-to-date with our information. I would therefore again draw the House's attention to Annex I of the explanatory statement, where some 50 organizations are listed, many of them representative organizations on a European scale, whose views have contributed to the committee's final decision. Indeed, I can say that in all those organizations there was criticism in varying degrees of the Commission proposals, even though those proposals had already been amended to take into account some of the views that had been expressed by those organizations.

We have also had the benefit of the Waste Management National Advisory Council's report prepared in the United Kingdom on this very topic and the House of Lords report, both of which were well researched and concluded that the proposal for a directive in its present form was entirely unacceptable. Perhaps I should say, Mr President, that this explains to some extent why the committee has taken a fairly long time to come to its final conclusion.

Because the committee decided to reject the proposal for a directive, I will therefore state now that I intend

to follow up this decision consistently by advising the House to vote against all amendments to the directive and indeed against the proposal as a whole when the time comes.

There is a further constitutional point to be made in respect of this proposal, Mr President, but I now happily see that the committee chairman is here. He intends to make this point, but I would like to say that I fully support it.

I apologize for overrunning my time. I understood I had 10 minutes. I will therefore finish by saying that I hope very much that the House will support the conclusion and decision of the Committee on the Environment, Public Health and Consumer Protection in this matter.

(Applause)

Mr Ingo Friedrich (PPE), *draftsman of an opinion for the Committee on Economic and Monetary Affairs.* — (DE) Mr President, ladies and gentlemen, there can be no possible objection to the aims of this directive, which are to ease the strain on the environment and save raw materials. However, having said this, we do see three particular dangers which could ensue if the directive were to be adopted. For one thing, there is a danger, especially if the Member States were to enact their own legislation, that different incompatible provisions might be in force in the various Member States, thus aggravating the situation on the market and making internal borders more of a barrier. Secondly, we think there is a danger of technical developments being hampered and restricted by regulations of this kind at a time when we do not really know what the next few years has in store for waste recycling and recovered raw materials.

The third danger we see — and there are already instances of this happening — is that environmental regulations could be used deliberately to protect national markets. Let me give you just one example of what I mean. It might be assumed from the directive that disposable containers are in principle more deleterious to the environment and more wasteful in terms of energy. In reality, though, there are plenty of instances in which disposable containers may indeed be more economical and more acceptable in terms of energy and the environment. Housewives who nowadays get their milk in plastic containers know how practical they are. The reintroduction of glass milk bottles as reusable containers would make life fantastically more difficult for both retailers and the business community, and would constitute a retrograde step *par excellence*, especially as analysis has shown that a refillable container is only viable if it is used at least twelve times over.

(Interruption by Mrs Schleicher)

Thank you, Mrs Schleicher. You are evidently better informed than I am. In fact, then, a reusable bottle

Friedrich

becomes more efficient than a disposable container only if it is used twenty-five times over.

What we really need is, on the one hand, to educate consumers to be selective in what household rubbish they throw away, and to first of all extract glass and other reusable raw materials; and, secondly, we need to make more technical progress in the utilization of waste. There are plenty of highly encouraging instances nowadays of how waste can be efficiently utilized.

This directive should be in the nature of a recommendation. It should become an instrument of harmonization in the sense that we set out not to prescribe what is allowed, but what should not be prohibited.

By so doing, we shall keep our options open for such things as a European standard bottle which must be passed for use everywhere on the grounds that it cannot, by dint of its standard European nature, be prohibited. That is a much better approach than to prescribe what has to be done in every case. We are thereby giving the market — and technical research — much more leeway, and refraining from interfering in these delicate processes.

Secondly, it is essential that we have recourse to the standards institutes, and refrain from making European legislation so incredibly complicated. Let us leave the standards institutes to formulate European standards, which means that we should either turn this directive into a recommendation or call on the Commission to present a full-scale directive.

Mr Collins (S), *chairman of the Committee on the Environment, Public Health and Consumer Protection*. — Mr President, I would like to take the floor at this point because, as Miss Hooper has suggested, there are some constitutional problems which I think Parliament has to consider very carefully this afternoon.

Before I come to that I would like to extend my thanks to the rapporteurs who have been engaged in the production of this report. I would also like to extend my thanks to the very many people who have contributed information and observations in the fairly lengthy consultative process in which we have been involved. We have investigated this matter fairly fully, and we could not have done so without the help of all these organizations.

I would like to thank the Commission also. During all these discussions they have attended the committee meetings very faithfully and have made available to us a great deal of the experience they have collected in the last several years. I say 'last several years', and I think that is an important point to bear in mind. When this proposal came to us, it was in its tenth draft. I have made the point here before, and I will make it again, that it is not a healthy thing that there should be

so many drafts before a final proposal comes to Parliament. It merely produces confusion in the minds of the very many bodies that are involved.

Last month, in the consumer affairs debate, I commented on the duplication of effort that goes into much of the work of this Community. First of all, there is consultation by the Commission with the very many interested bodies involved. After many drafting changes, Parliament sees the final proposal. Parliament then consults and discusses with a great many bodies. When Parliament is finished with that, it then goes to the Council and the Council goes through many of the same processes. Now the theory of all this is that Parliament exercises its duty to advise the Council of the political priorities and the political consequences of the decisions that might be made. In effect, that means that the Council cannot make a decision until it has Parliament's opinion. Indeed, it means that it must not make a decision until it has Parliament's opinion, because otherwise political control stops being the kind of democratic phenomenon that we would like it to be.

In this particular case, we discover that not only is the Council considering another set of proposals, but we have actually seen these proposals. I have two copies here with me dated 1 and 8 March, and the proposals that I have in my hand are quite radically different from the proposals that came before the committee and are in front of Parliament here today. I believe that this is unacceptable. I think that it is very bad practice indeed. I believe that we need to consult further with the Council and we need to consult further with the Commission in order to ascertain the likely shape of the proposals which the Council will finally consider at whatever Environment Council this comes to.

Mr President, unless someone provides me with very good evidence to the contrary, I will invoke Rule 85 and ask Parliament's permission to take this back to the committee, so that we can consider whether or not there is a radical departure and whether the procedure being used is acceptable to Parliament. At the moment I consider it to be entirely unacceptable. I believe that Parliament must retain political control over these proposals, and I intend to take whatever steps are available to me to ensure that that political control remains here.

(Applause)

Mrs Seibel-Emmerling (S). — *(DE)* Mr President, ladies and gentlemen, everyone of us and every person in the Community is acquainted with the subject we are dealing with today. We are sinking in mountains of rubbish, we are using raw materials and energy to make packaging which is then well-nigh impossible to get rid of. Our cities and local authorities can barely meet the cost of refuse disposal.

Seibel-Emmerling

But the key issue is not just the taxpayers' money; after all, the expensive business of disposing of rubbish has a serious effect on the environment and often entails irreparable damage from the human point of view and for nature as a whole.

All those who are not actually making a profit out of this senseless use of resources and this waste of energy realized long ago that something would have to be done. The Commission too began relatively early to tackle the problem. But all the attempts that have been made so far amount to no more than a tragedy — unless, of course, you prefer to view the whole thing as a farce. Little by little, elements have been chipped away from the original draft directive. First of all the teeth in the original proposal were blunted and were then, bit by bit, extracted altogether. What we have before us now is the Commission's tenth draft of the directive, containing by no means all the things you have been led to believe. In fact, what it contains is very little indeed — not even a ban on the use of packaging which, when converted into energy, releases pollutants into the environment: a ban which my group has expressly called for.

The members of my working party have themselves experienced the long procession of all those who have sworn to do battle with this directive. We can only too well imagine the kind of pressure the Commission has had to face right along the line, from the first draft to this tenth version. Small wonder, then, that this tenth draft does not reflect the aspirations of the people of the Community — not only their aspirations, but their rights. What we have here in fact is a watered-down proposal, but for all its faults, it is at least a first stab at getting something done. Like a baby's first steps, it is hesitant and shaky, but it does at least give us some cause for hope. We shall therefore be giving it our support, while at the same time maintaining our demand that a lot more be done to protect our environment. We are therefore absolutely opposed to the attempts being made by our otherwise highly esteemed rapporteur to get the proposal referred back to the Commission.

What would we be likely to achieve by doing that? An eleventh, twelfth or even a thirteenth bite at the cherry? And each one more toothless, more watered-down than the one before? Nor can we give any support whatsoever to the proposal to change the directive into a recommendation. The drinks container issue can and must be dealt with at Community level, and for that we need a directive, not a recommendation, which would, when all is said and done, simply mean that the subject had been dropped. It is up to us to get something done. We must not content ourselves with just issuing resonant statements on energy-saving and environmental protection and making fine-sounding speeches on the subject. It is time we made a start, and for that reason we have decided to give the Commission our support.

From the point of view of subject matter, it is quite possible that the Council may be working on a draft directive. The point is, though, that it should be doing so *with* the European Parliament, on the basis of the same text that this House is also working on. We can do without any secret documents in the Community. We are prepared to cooperate on a joint text for a directive as a first step towards tackling this subject.

Mr Ghergo (PPE). — *(IT)* Mr President, ladies and gentlemen, the fact that the Commission's proposal on containers of liquids for human consumption has been redrafted nine times, each draft being discussed with a wide range of organizations involved, is in itself indicative of the complexity and variety of the angles from which the subject can be viewed.

There are no arguments about the proposed objectives: to reduce the impact on the environment of waste in the form of used liquid containers; to contain the cost of disposing of them; and to encourage a reduction in consumption of energy and raw materials in this sector.

It is the measures through which these objectives are to be achieved which have provoked differences of opinion and made the Commission repeatedly change the text of the proposal.

The initial approach involving a directive which would explicitly encourage the use throughout the Community of 'returnable containers' which can be refilled was followed by a move towards a broader framework which would leave it to the Member States to take specific action to encourage the use of containers which, after use, can be used again in any of the three following ways, all of them being equally encouraged: they can be refilled, they can be recycled as raw materials to produce new containers, or they can be used as fuel to produce energy.

This approach is shared by the OECD among others. Other organizations, which were also consulted by the rapporteur, such as the European Environmental Bureau and the European Bureau of Consumer Unions, considered that a directive was necessary but found the proposal unsatisfactory.

On the other hand, many of the industrial and commercial organizations who were consulted maintain that a directive is not the most appropriate form of Community action in this sector and that a recommendation would definitely be preferable. Finally, other organizations declared themselves contrary to any form of intervention.

The Committee on the Environment has returned again and again to the arguments which I have mentioned briefly and has discussed them at great length, with the result that it has come to the conclusion that, given the differences of opinion and interests — which

Ghergo

are legitimate but difficult to reconcile — this is the only proposal which could at present receive majority agreement. By requesting that the directive should be abandoned in favour of a recommendation, it agrees with the objectives set out in the Commission proposal, and believes that something should be done to achieve these objectives on which everyone agrees.

The Committee approves of the fundamentals of the proposal which, as I stated, does not favour any one system, leaving the Member States to adopt specific measures in the light of the objectives we have mentioned and which are listed in paragraph 1 of the motion.

We are convinced that, given the present situation, the recommendation would above all allow the Commission to acquire more information on which to base a future solution which will take account of new experience and of new trends which are bound to emerge.

I therefore support Miss Hooper's report, on behalf of my group, and greatly appreciate her efforts in carrying out this difficult task so well.

Mr Johnson (ED). — I would be the first to point out, Mr President — my colleagues do not need to remind me — that I am not speaking in the name of the group.

Mr President, this is the day for declaring an interest and I have to declare an interest: I used to work for the European Commission. I was even paid by the European Commission. The Commissioner will know that I have been very ready to criticize the Commission in the past, sometimes very severely. I do not believe that this is the day to criticize the Commission.

For years now we have been trying to develop in this Community the first tentative measures to get recycling programmes going, to have Community measures on the re-use and recovery of materials. At last we have a proposal. It goes some way in the direction I have indicated, it is a serious proposal, it is worth considering seriously. But what has happened is that we have actually seen, over these last two years, the classic example of what I would refer to as the 'salami technique': you chop off a bit, chop off another bit, chop off another bit, then in the end you say, there is so little left here, let us just throw it away, it is not worth having.

We see today, as it were, the final chop going on in the salami operation — the idea that this product which we have should be converted into a recommendation. I do not believe, Mr President, that that is the right way to proceed with this document. The right way is to see what we can make of it, to recognize that it offers a solution which the Parliament has called for on many occasions, which the Council has called for on many occasions, which the Community as a whole

needs — a proposal for finding ways of recovering material, re-using material, recycling material, recovering energy and, of course, removing the environmental and possibly even the public — health hazards which so much of this business represents.

Now, what can we do in practical terms? In practical terms I submit we should now vote through this proposal. I have put down amendments which were designed, when I put them down, to make it possible for some groups around this room, including my own, to see their way to approving the directive as a directive and, with the greatest respect to the rapporteur of the Committee on Economic and Monetary Affairs, his committee did not disapprove the idea of a directive. On the contrary, he said a certain kind of directive could very well be tolerated.

Weal, I put these amendments down. I rather doubt now whether we shall find the kind of compromise which I thought we might find, so I am tempted to withdraw them.

One last point in the 15 seconds that are left to me. I would have been more impressed by the constitutional point raised by the chairman of our committee if we had not had this proposal in the Committee on the Environment, Public Health and Consumer Protection for two years. Look at the introduction: you will see it was sent to us on 7 May 1981. It is time for us to give our advice.

IN THE CHAIR: MR KLEPSCH

Vice-President

Mrs Scrivener (L). — (FR) Mr President, ladies and gentlemen, I believe that the Commission's objective in this area deserves our praise, since it aims to coordinate the different proposals of the Member States on the question of waste management, and also to promote energy-saving measures. But alas, as is too often the case, the Commission's approach basically lacks realism, and its proposal would have the opposite effect to what it is attempting to achieve.

I would like to make four points. First of all, I do not think we can accept — and I have the courage to say this — to accept the 'dirigist' tone of this directive, which does not foresee any initial consultation with the sectors concerned to reach agreement on what objectives are to be achieved.

Secondly, we do not approve of the fact that the Commission favours reusable containers to those which are non-reusable for, at the end of the day, this is completely against the rules of free competition. It is my

Scrivener

opinion that both systems must be retained, not only because of the existing differences between products and conditions of distribution but also — and this is important — in order to satisfy the consumer who must be allowed to make a free choice.

Thirdly, in providing for standardization of these containers the Commission is forgetting that this measure would involve price increases for the container industries, just as it is forgetting the consumers who, because of this measure, would no longer be able to choose between the different shapes and sizes of bottles. Consumer choice is nevertheless of importance.

Lastly, the Commission proposals would restrict the promotion of new technology, because it might be possible in future to find new containers which met the aims of the directive. It is, therefore, of utmost importance to leave it to the Member States to decide on appropriate measures without imposing constraints on them. We shall support the rapporteur on this issue.

President. — This morning I mistakenly stated that Mr Paisley was not present during the explanations of vote. I should like to make it quite clear that I was labouring under a misapprehension.

Mr Eisma (NI). — (NL) Mr President, obviously we all go along with the aims of this draft directive on containers of liquids for human consumption and will give it our wholehearted support. However, there is considerable dispute about how we should achieve this aim. As we see it, the Commission proposal of 1981 is an improvement over the eight earlier versions, since it involves less compulsion and relies more on consultation, while at the same time the Member States are given greater freedom as regards the way in which they should endeavour to achieve the objectives set out in this directive. However, we do think it is vital to insert the amendment to Article 4 tabled by the Economic and Monetary Committee to the effect that the measures should not give rise to any obstacles to trade.

It is vitally important, as we see it, that this amendment should be included in the resolution but, Mr President, like Mr Collins, the Chairman of the Committee on the Environment, Public Health and Consumer Protection, I wonder which proposal we are actually discussing here since in the meantime yet another new proposal has been submitted to the Council. I have not yet received as recent a proposal as Mr Collins — the one I have here is dated 28 January. He mentioned a March proposal which is supposed to have been submitted to the Council, and at any rate the draft directive currently before the Council is not the one on which Miss Hooper based her motion for a resolution. Perhaps she would in fact have decided in favour of the proposal taking the form of a directive if she had seen the most recent version. We should be

grateful if the Commission and Council could clarify the situation as regards the most recent developments, since there is not much point in Parliament discussing an obsolete proposal. For the rest, I hope I will also get some reaction from the Council. I cannot see any representative of the Council in this chamber at present, but one may yet turn up to give us an answer to this question. We see no advantage in Miss Hooper's proposal to turn the 1981 directive into a recommendation since we are afraid that this might only increase the freedom of the Member States to introduce covert protectionist measures. The 22 European trade associations who have raised numerous objections to the proposed directive draw attention to the existing voluntary agreements and the steadfastness with which they continue in their efforts to achieve the objectives of the European Commission as regards energy- and raw-materials saving. As we see it, this provides an excellent basis for translating the directive into national legislation by means of sensible consultation after one version or other has been adopted by the Council. We are confident that the governments of the Member States will provide as much scope as possible for voluntary agreements, as explicitly mentioned in Article 4.

Finally, milk was added at a late stage to the list of drinks covered by the directive and this is a question which has not been sufficiently discussed with producers and distributors. We should be grateful if the Commission would give us further details as to how it has weighed up the alternatives of cardboard containers or deposits and what conclusions it has come to. Obviously, Mr President, this is my final point, we will support the European Commission in its attempt to translate these proposals into a directive and for this reason will vote against the Hooper report, although everything still depends on the answer we get from the Commission and Council.

Mrs Gredal (S). — (DA) This is a matter of some importance to my country, in that Denmark can boast one of the world's best recycling systems for beer and soft drink bottles. It covers 98% of all bottles used, which explains why we are obviously against a directive which would destroy the system. Apparently the Commission is considering taking action against Denmark on the grounds that the Danish system constitutes a barrier to trade within the Community. While stressing that we have, in principle, always been in favour of getting rid of technical barriers to trade, there are bound to be limits to the free movement of goods, and we have decided that those limits should be where the health and safety of consumers and workers are affected, and where the natural environment is at risk. We also feel that we are justified in taking these steps from the environmental point of view. If the Commission really wants to introduce a directive on this subject, it should perhaps have taken the Danish returnable bottles system as more of a model or, to put it another way, it might perhaps have been better to

Gredal

harmonize upwards. That is something the Commission can certainly not be accused of on the strength of this proposal. We have tabled certain amendments to the Commission's proposal and, if they are adopted, we shall be prepared to accept the draft directive.

We cannot, however, accept the Hooper report in its present form. What it amounts to is further watering-down of the Commission's proposal in that it takes the view, for instance, that the Commission's submission should produce a recommendation rather than a directive. We shall therefore be voting against this report.

Mr de Ferranti (ED). — Mr President, I *am* speaking on behalf of the group and I am supporting the views of the rapporteur, whom I wish to congratulate. I also speak as someone who, as I think everybody will recognize, is dedicated to removing trade barriers. But, may I say a frank word to the Commissioner?

You are, I believe, Sir, on the verge of a breakthrough in the internal market, which we have heard about earlier this afternoon, as a result of the internal market Council's efforts. But you are desperately short-staffed. Now, for 10 years I have been involved in the details of technical directives of this kind: in the Economic and Social Committee and now in the Parliament. Having looked at the details of this directive, it is clear to me that you are on a loser. This one is very difficult. It is not a can of beverages, if I may permit myself the joke, it is a can of worms. If that does not translate, Mr President, may I just point out that that is lending more emphasis to the difficulty of the problem. It is, technically, exceedingly difficult to do, and in view of the position of DG III and its shortage of staff at the moment, I would implore the Commissioner to stop work on this directive. The view of the Parliament will enable him to do so.

Conserve your resources and return to the attack on it when you have a technical solution and when the market has begun to sort itself out and make that technical solution possible.

Mr Berkhouwer (L). — (NL) Mr President, a great Englishman of the previous century, William Wilberforce, once said that anything that is worth doing is worth doing well, and unfortunately I cannot say the same of this proposal, Mr President, since if people really wanted to achieve this objective they would have to make all sorts of binding regulations covering all producers, manufacturers and the entire trade within the Community. However, this is a directive which leaves the Member States at liberty to introduce all sorts of non-tariff barriers to trade by means of containers. This is the great risk which this undertaking will entail. Obviously, everybody goes along with the general aim — after all, who would not be in favour of measures designed to protect the environment from all the things we throw away, such as glass, tin cans, and

all the other rubbish with which we pollute our surroundings. Thus, my group wholeheartedly agrees with the conclusions drawn by Miss Hooper and intends to vote against all the amendments tabled by Mr Johnson, who is a former member of the Commission and should try and get another job there. As for Mrs Gredal, she was trying to pull a fast one, or is she perhaps unaware that Heineken and Amstel cannot import any beer in cans into Denmark while Tuborg and Carlsberg are flooding the entire Community with canned beer? This is the fantastic arrangement in Denmark that she was talking about.

Mr Narjes, Member of the Commission. — (DE) Mr President, I should like to begin by thanking the rapporteur for her interesting report and for all the work she has put in on what is a difficult and complex subject. I should also like to express my thanks for the motion for a resolution on the Commission's draft directive on containers of liquids for human consumption.

The debate has shown what a wide range of practical interests the directive touches on. The Commission welcomes this House's approval of environmental policy in general — including those speakers who are opposed to this particular directive — and in particular your support for a policy of the improved utilization of resources, as reflected in both the Commission's environment programmes. I should also like to thank the House for all its detailed suggestions.

The problem is one of major importance. The proposal is concerned with containers of liquids for human consumption, representing roughly 10% by weight of the Community's total household refuse, equivalent to roughly 10 million tonnes of refuse per year. What the Commission is proposing is that we should put this refuse and our available resources to better use from the point of view of the environment and at the same time cut the cost of disposing of all this rubbish. In this respect, I would refer you to the calculations set out in the explanatory statement attached to the draft directive, which illustrate how many hundreds of millions of units of account local authorities throughout Europe have to spend each year on refuse disposal, and what a drain this represents on their resources.

As I said before, the Commission is proposing that this cast-off packaging and our available resources should be utilized with the environment in mind, and we are therefore calling on the Member States to reduce the proportion of such containers in household refuse, so that the materials concerned can be recycled. That would mean that new containers or new products could be made from the recycled material, or that the containers could be refilled and reused. In this respect, the Commission's proposal is absolutely neutral in character.

This particular project is expressly provided for in the first and second action programmes. The Commission

Narjes

deplores the fact that its draft directive has given rise, in certain business circles, to a war of words which, in the Commission's view, is entirely disproportionate to the actual substance of the proposal. Indeed, we get the impression that a number of complaints aimed at the present version of the proposal still have in mind the initial versions dating from several years ago, and that our critics have not taken the trouble to keep in touch with the changes made in the proposals and consequently revised or retracted their criticism. The situation is all the more surprising in view of the fact that the Economic and Social Committee, which includes just these business interests, came out almost unanimously in favour of the proposal, adopting a gratifyingly constructive and positive attitude.

Today's discussion in the committee has, as I said, shown how complex the subject is. I get the impression that, because of the very different situations in the various Member States — e.g. in Denmark and Italy, to take just two examples — criticism of our proposal is being made from an excessively national angle without regard to the fact that Community legislation must be formulated in such a way as to make it applicable to all ten Member States and not just tailor-made to particular national situations. After all, the refuse industry is part and parcel of our highly developed and highly variegated technical production process, and the way in which we deal with the refuse issue is bound to have substantial repercussions on the competitiveness of entire industries and hence on our economies as a whole.

Even the basic elements of the free circulation of goods in the Community may be adversely affected by non-harmonized national regulations on refuse disposal. Allow me to draw your attention to the opinion of the Committee on Economic and Monetary Affairs on the Commission's proposal, and the change it proposes to what I think is Article 4 — a change which the Commission can go along with entirely.

There are a few points I should like to make on various aspects of the report and the elements of criticism contained therein. Firstly, as regards the economic background, I should like to point out that, before drawing up its proposal, the Commission had a large amount of research done on the subject, and the report rightly draws attention to the main results of that research. In the Commission's view, it is not true that the proposal is inadequately based. As far as we are aware, none of the Member States has access to more detailed scientific findings which, for one reason or another, we may have overlooked or failed to take into account. We therefore cannot accept that point of criticism.

Secondly, the Commission does not feel that its proposal is either unclear or badly drafted. We would not dispute that it is always possible to improve any text, and we are grateful for any suggestions. It would be

wrong, though, to reject the present version of the proposal as a mere lobbying document.

Thirdly, we believe there is no justification for the criticism that interested parties were inadequately consulted before the initial proposal was drafted. The fact is that, before drafting the proposal and throughout its work on the subject, the Commission was engaged in extensive consultations, always taking them into consideration and making a large number of changes to reflect the criticism that was voiced. Moreover, the report contains a long list of the organizations which were consulted. It would, however, be wrong to confuse consultation with having a say in the decision-making process. Meeting each and every lobby's wishes to the full is not the way to conduct European policy — quite the contrary, in fact. I am therefore bound to reject any insinuations to the effect that anything which does not meet with a particular lobby's 100% approval is not good European policy.

Nor does the Commission think that its proposal is likely to encourage the creation of non-tariff barriers to trade, as is claimed in the motion for a resolution. What our proposal is concerned with is refuse materials and not the packaging itself. Should any Member State decide to introduce an excessively specific form of packaging and thus adversely affect the free circulation of goods, the Commission must in any case reserve the right to apply different contractual provisions with a view to outlawing such barriers to trade. The Commission welcomes the fact that discussions on the recycling value of drinks containers in business and scientific circles have resulted in the introduction of technical innovations over a wide front. For instance, we now have containers made of plastic and tin plate which can be reused and refilled — something which was certainly not a viable proposition just a few years ago. And some of the innovative work now being done by industry in this field will, I think, surprise us in the future.

On this point, I think I must say that some Members — in particular Mr Friedrich and Mrs Scrivener — do not seem to realize that this directive is, from the point of view of technical developments, absolutely neutral. By no means are we ruling out any kind of future technical developments or standardization process; we are not setting out to dictate certain shapes or anything of the kind. As far as I can see, all this criticism might legitimately have been made of earlier drafts, but now no longer applies to this present version. Quite the contrary, in fact.

It was precisely for that reason that the Commission decided to draft its proposal for a directive as flexibly as possible, leaving it up to the Member States to accept any voluntary agreements. The Member States are certainly not the victims of interventionism and centralized interference. As regards voluntary agreements entered into by the industries concerned, we have the absolute maximum degree of consultation.

Narjes

That too is a point which was overlooked by Mrs Scrivener. There are, however, differences of opinion between the Commission and this House on the question of how we should work towards this aim — in other words, whether the Commission's submission should be in the form of a directive or a recommendation. Allow me to quote you Article 189(3) of the EEC Treaty on directives, which says: 'A directive shall be binding, as to the result to be achieved, upon each Member State to which it is addressed, but shall leave to the national authorities the choice of form and method's.

The impression I have gained is that most of the speakers who have pleaded the virtues of flexibility are aiming for exactly that, which is, according to Article 189(3), the very nature of a directive. On the other hand, neither a recommendation nor an opinion is binding and is, so to speak, a blunt instrument. Neither recommendations nor opinions constitute an adequate sanction to prevent internal barriers being set up somewhere in the refuse management industry.

Nor can I share the rapporteur's interpretation of the view taken by the House of Lords. The fact is that the House of Lords did not reject a directive in principle, but, if I understand its recommendation rightly, took the view that a flexible directive was perfectly feasible. Consequently, you cannot cite the House of Lords as being against the use of the directive as a legal instrument. I think that, if we were to issue no more than a recommendation, we would in effect be condemning ourselves to organizing a second-rate funeral for one essential aspect of our policy on the environment, something which runs counter to the Community's environmental plans as accepted by this House.

I therefore think it would be a good thing if this House were to consider once again before voting to what extent the directive in its present state already reflects the call for flexibility, and how much impact would be lost if our proposal were to be downgraded from a directive to a recommendation. The sheer flexibility of the directive is, in our view, evident from the fact that, of the 37 amendments which have been tabled, the Commission can accept Nos 1 to 18 and Nos 20, 23, 25, 27, 30, 31, 32 and 33 in their entirety. The only amendments we cannot accept are those tabled by Mr Petersen, which are too closely bound up with the situation obtaining in Denmark, and two proposals put forward by Mrs Seibel-Emmerling. We can accept all the others. I would greatly appreciate it if we could reach a consensus with the European Parliament on an appropriate form of environment policy, including the question of waste management. As far as I can see, the Council and the Member States' governments are being more decisive in this respect than certain elements of the European Parliament. It would not be a good thing if, at the Council of Environment Ministers in June, it transpired that the Council had espoused a more constructive approach than has been reflected in certain speeches we have heard today.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

6. Labelling and presentation of foodstuffs

President. — The next item is the report (Doc. 1-1207/82), drawn up by Mrs Schleicher on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the

proposal from the Commission to the Council (Doc. 1-224/81 COM(81) 159 final) for a directive on the approximation of the laws of the Member States relating to claims made in the labelling, presentation and advertising of foodstuffs for sale to the ultimate consumer.

Mrs Schleicher (PPE), rapporteur. — (DE) Mr President, ladies and gentlemen, the principle that the State should only introduce regulations for the sake of the common weal — in this case the good of the consumers — should also apply where European legislation is concerned, since regulation for its own sake does not constitute any improvement.

In the case of the labelling directive currently before us the Commission was faced with a very difficult task — indeed, as I see it, it was an almost impossible task even after intensive study of the problem. I should like to thank the Commission for the work it has done and I hope it will understand the position of the rapporteur. For your benefit, ladies and gentlemen, I should like briefly to outline the history of this proposal.

In 1979, the Council of Ministers adopted the directive 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, known as the 'labelling directive'. Article 2 of this directive deals with advertising and since the Council was unable to agree at that time as to what constituted advertising and advertising claims on a label, they looked for a way round this problem so that they would be able to adopt the directive at all.

This solution is to be found in Article 2(1) which contains a general clause which, after translation of the directive into national legislation, represented a legal basis for all those countries of the European Community which did not yet have adequate advertising legislation to protect the consumer against misleading claims on the labels of foodstuffs.

The Council, unable to agree on the formulation of Article 2(2) then passed the matter back to the Commission which proposed that, in accordance with the procedure laid down in Article 100 of the Treaty, the Council should draw up a non-exhaustive list of claims

Schleicher

within the meaning of paragraph 1, the use of which must at all events be prohibited or restricted. The specific form which this non-exhaustive list was to take subsequently gave rise to a heated dispute. It was felt in many quarters, including the Economic and Social Committee, that this list should include words such as 'real', 'excellent', 'first-class', 'home-made', 'promotes digestion' and 'enriched' etc. The Commission, however, argued — and nobody involved in advertising would disagree — that this would be impossible because of the linguistic problems.

The Commission has now attempted to solve this problem by coming up with a proposal containing 'small general clauses', which are supposed to outline the nature of the problem and be based on a definition of 'advertising claims'.

These clauses have met with reactions from persons affected by this draft directive which range from 'superfluous', 'too idealistic', 'legally misdirected', or 'not sufficiently stringent' to the question of whether at all action was called for on the part of the Commission.

The Commission regards the wording of Article 2(2) as constituting an obligation to action on its part. The definition of advertising claims leads to the problem of the relationship between the proposal before us and the proposal on misleading and unfair advertising which is still before the Council. According to the Council, after three years' discussion on this draft directive, the Member States have still not even been able to agree on a definition of the term 'advertising' — or the term 'misleading' or 'unfair' either for that matter. The Commission took the view that one directive should not be made dependent on the other.

In the Committee's view, however, you cannot introduce regulations when there is no basis for them, i.e. when we have not yet even decided what the terms 'advertising' or 'advertising claim' mean. This would mean in practice that, if we support this draft directive, two Council bodies will in future be dealing simultaneously with the problem of what constitutes 'advertising'. One of these bodies has been trying to solve this problem for some three years now and if Parliament gives its support to the draft directive before us we will keep another one busy for the next few years with the question of what constitutes an 'advertising claim'. For this reason, our fundamental request to the Council and Commission is to see to it that the draft directive on misleading and unfair advertising is finally adopted.

Moreover, I think it is high time we finally had some definite arrangements regarding the modern media — particularly television — although the Commission takes the view even if the directive on misleading and unfair advertising were adopted this would not render the directive currently before us superfluous, since it is wider in scope and covers specifically defined areas which include bans in this sector of advertising.

I am not convinced by the examples of 'Persipan' and 'Marzipan' or 'sausage' and 'Wurst' quoted to me in this context by the Commission, which maintains that there is a risk of products which are different in composition being sold under the same name, particularly as the Commission explained in its answer to a question by Mr von Wogau that the Court of Justice admitted in a certain case that the distribution of imported goods can be prohibited when the conditions under which they are marketed constitutes an infringement of what is regarded in the country of import as legitimate trade practice. This would mean that the existing legislation, particularly after incorporation of the labelling directive with the general clause contained in Article 2(1), would be adequate to deal with certain infringements in this field. The process of incorporating this directive in national legislation is currently underway in all the Member States and should soon be completed.

The main reason the draft directive before us today was proposed would appear to us to lie in the threat of distortions of competition resulting from differences in presentation and advertising claims on the labelling of foodstuffs, and the risk that individual countries could take advantage of these differences to erect hidden barriers to trade. However, I should like to point out that even after this directive had been adopted, the Member States would still be able to use the charge of misleading advertising to erect trade barriers of this kind. The whole thing is simply a problem of language and wording which all the Member States can always turn to their advantage. It is a question of ingenuity, and imagination always works quicker than legislation as far as this is concerned. There is also the basic question of whether idealistic legislation should be introduced every time there is a mere threat of hidden barriers to trade.

In practice, the draft directive before us with its general clauses will lead to a large number of legal disputes, since virtually every single word would have to be legally interpreted. Quite apart from the fact that this would lead to considerable uncertainty as to the law, we would not be doing anything for consumer protection by bringing in even more bureaucracy and over-idealistic laws. We as Members of Parliament should be particularly careful to ensure a reasonable balance is maintained between effort and usefulness. This, as I see it, would constitute genuine consumer protection.

For this reason, and in view of the criticisms which have been levelled at this Commission proposal from various quarters, including even consumer associations and the competent Commission foodstuffs committee, the Committee on the Environment, Public Health and Consumer Protection has decided with a clear majority in favour of referring the proposal before us back to the Commission, although the Socialist Group and Communist and Allies Group took the view that

Schleicher

even if this Commission proposal was less than perfect it was nevertheless better than nothing.

(Applause)

Mrs Krouwel-Vlam (S). — *(NL)* Mr President, this Commission proposal for a directive is aimed at improving consumer protection as regards misleading claims in the labelling and presentation of foodstuffs and the wish to prevent the consumer being deliberately misled is in itself reason enough for the Socialist Group to support the proposal. In addition, however, this proposal is along precisely the same lines as already set out by Parliament and the Council in the first and second consumer action programmes.

The first Community action programme on consumer protection and information, which dates from 1975, is at the same time a charter, as it were, of European consumers' rights and an action programme aimed at improving consumer protection throughout the Community. A label should provide information — in other words, it should inform the consumer about the real and genuine properties of a product which is offered for sale. Generally speaking, the information given on the label is one-sided, selective and full of praise for the product instead of neutral, complete and objective, and for this reason something must be done to curb misleading claims in the labelling and presentation of products.

In view of this, therefore, the criticisms made in the report by Mrs Schleicher, which we are currently discussing, are out of place. The accompanying motion for a resolution proposes holding this proposal for a directive in abeyance until the directive on labelling has been implemented in the Member States and the draft directive on misleading and unfair advertising has been adopted by the Council. Taking this negative attitude and biding our time as suggested will be of no service to either the consumer or the Commission. Obviously, criticisms can be made but they can also be constructive, i.e. they could take the form of suggested alternatives with a view to helping the Commission in drawing up a text which could eliminate misunderstandings regarding the definition of the word 'claims' and leave nothing to be desired as regards the clarity of the wording of the articles.

Mr President, the consumer is the Socialist Group's prime concern when dealing with proposals of this kind and we cannot, therefore, go along with Mrs Schleicher's report. We intend to support the Commission proposals via the amendments tabled, since it is, among other things, in accordance with the opinions of the committees consulted. By simply biding our time we would be doing nothing for a European consumer policy. We must devise activities and lay down measures for the better protection and information of the consumer in the ten Member States. This is the job which Parliament has to do.

Mr Sherlock (ED). — Mr President and colleagues, I rise to say that my group entirely supports Mrs Schleicher's report and will vote accordingly when tomorrow we come to vote on it.

I must take the opportunity to say that sometimes it seems to me to be very futile the way we go on churning out — or, under the guidance of the Commission, attempting to churn out — extra pieces of legislation which seem to find little hope of implementation and enforcement throughout all the Member States. I would draw your attention to Directive 79/112/EEC on labelling, which has not yet been implemented, three years later, in all the Member States.

I would also like, by way of comment both on this and on the previous topic of beverage containers, to say that we in this House, since we were directly elected, look upon ourselves — even Mrs Krouwel-Vlam has said so — as the representatives of the people, of the public, of the electorate. I do not think our Commissioner has been that far and that long removed from the processes of election himself to have forgotten the lesson that we must submit ourselves for reelection, and the time is coming closer. In fact, Mr President, it is breathing down my neck.

Mr Eisma (NI). — *(NL)* Mr President, we appreciate the attempts on the part of the European Commission to implement Article 2(2) of the directive on labelling but we agree with the rapporteur, Mrs Schleicher, that the Commission has not been totally successful in this respect, particularly as regards Articles 2 and 3. The Commission proposal is too vague and will lead to numerous differences of interpretation which may well have to be fought out before the Court of Justice. We feel, therefore, that this proposal for a directive be referred back for revision.

Together with Mrs Krouwel-Vlam, therefore, we have tabled our Amendment No 4 which calls for unambiguous wordings. We agree with the rapporteur when she says that the proposal should be kept in abeyance until the labelling directive has been introduced in all the Member States. This will not necessarily mean wasting more time since the Commission should improve its proposal anyway and provided that the Commission sees to it that the Member States introduce the labelling directive as soon as possible. I therefore urge you to support Amendment No 1 by Mr Dury, Mrs Krouwel-Vlam and myself. There is no reason whatsoever, Mr President, why this directive should wait until the Council has adopted the directive on advertising, and our Amendment No 2 proposes deleting this element from the motion for a resolution. It is, however, true to say that the present proposal from the Commission will need to be adapted in the light of the directive on advertising and the rapporteur is in favour of this too. This is expressed in simple terms in Amendment No 3.

The Commission must definitely also draw up labelling directives for consumer goods other than packaged foodstuffs and could well start with non-packaged foodstuffs. Obviously, in this case, we are thinking more in terms of 'presentation' or perhaps 'description' than of 'labelling'. This category includes, for example, vegetables, fruit and unpackaged meat, etc. Obviously, it is completely unnecessary to wait until literally all the various articles have been dealt with, as the rapporteur proposes, before introducing directives of this kind.

Mr President, I should like to conclude by saying that I deplore the Council's repeated dilatoriness in its decision making. The directive on advertizing is only one of many examples. For this reason, we do not wish to have any part in any delaying tactics on the part of this Parliament with regard to Commission proposals — which is what would happen if the recommendations of the Committee on the Environment, Public Health and Consumer Protection were adopted unamended. We are against this passive resistance because we are in favour of progress in European legislation — and consumer policy should certainly be no exception in this respect. We would suggest that the Commission temporarily withdraw its proposal so that it can revise it in the light of the suggestions made by various people including ourselves and then retable it as soon as possible. In this way it would be avoiding its being rejected by Parliament today.

Mr Narjes, Member of the Commission. — (DE) Mr President, ladies and gentlemen, I should first of all like to thank the rapporteur for her very interesting, informative and objective report and the competent committee for the considerable work it had to do on this subject, which is by no means a simple one.

I can understand the complicated situation in which the rapporteur finds herself and I would be grateful if she would show the same understanding for my situation. This is not an easy matter and I have the impression that some of the misunderstandings are of a purely linguistic and terminological nature. The English word 'labelling' describes what we are talking about here far better than the German expression '*Werbebehauptung*', which literally means 'advertizing claim' and would appear to imply that it is advertizing legislation which is involved here. This, however, is merely a side issue. What we are really concerned about is the presentation and labelling of foodstuffs, and all we have to take into account is that this presentation and labelling can be done well and hence make the product attractive or badly in such a way as to put people off. Otherwise, questions of advertizing legislation do not come into it. However, the use of the word '*Werbebehauptung*' in the title as a translation of 'labelling' could indeed give rise to a misunderstanding of this kind.

The motion for a resolution currently before us contains a proposal to the Commission to hold the propo-

sal for a directive in abeyance until Directive No 79/112 has been implemented in all Member States and until the Council has adopted the other draft directive on misleading and unfair advertizing which is currently before it.

One of the reasons given for this suggestion is that the submission of a proposal for a general directive would render this present proposal superfluous. I would first of all point out in this connection that, in view of the European elections, this would mean in practice that Parliament would not deal with this subject again before 1985 or 1986, and if we then consider the additional time which it would take for the proposal to get through the Council of Ministers followed by the time which would have to elapse before it entered into force, this proposal to hold the proposal in abeyance would in practice mean that no decision would be reached on this subject before the end of the present decade.

The Commission takes the following view. Firstly, it does not regard the proposal for a directive as superfluous and, by virtue of Article 2(2) of the general labelling directive of 1979, it has also been called on by the majority of this House to draw up a non-exhaustive list of advertizing claims. The Commission has its duty to fulfill and therefore cannot refuse to act in accordance with this request by the European legislators. There are also, as we see it, sound practical reasons for a directive of this kind since the Community needs arrangements along the lines indicated in the proposals so as to establish standard rules for the labelling and advertizing of foodstuffs within the Community. Neither Directive 79/112 or the directive on misleading and unfair advertizing — if adopted — could act as a substitute for the proposal currently under discussion. However, there is the question of whether the text of the current proposal should be amended.

I should like to make a quite general remark in this connection. The Commission takes the same view of this matter as the Economic and Social Committee which, where questions of overlapping of several items of legislation arise, rightly work from the principle that it is the most recently adopted which should take account of and be adapted to earlier legislation, except in cases where otherwise specified. Thus, as we see it, there is no chance of any conflict between various items of legislation although changes in the wording should be considered since the general directive on misleading and unfair advertizing does not mean that the general concept of misleading advertizing in Directive No 79/112 does not need fleshing out.

To give a practical example, when the question of whether or not labels should go into the connection between nutrition and health is concerned, there must be some very specific provisions and we cannot simply work on the basis of a general concept, unless we are prepared to accept each Member State developing dif-

Narjes

ferent jurisprudence or administrative practice on this question and hence erecting barriers to trade, since unless the Member States are given clear guidelines to work on in connection with this directive, we will soon end up with different interpretations and hence obstacles to the free movement of goods. Indeed, this also applies in the case of relations with third countries. In drawing up its proposal, the Commission adhered closely to the recommendations contained in the Codex Alimentarius drawn up by the organizations under the World Food Organization and World Health Organization, which operate on a world-wide basis. For the rest, as regards the directive on misleading and unfair advertising, the Commission is making efforts to urge the Council to deal with it more swiftly — and I might mention for the benefit of the rapporteur that success would appear likely. I cannot at present share the fears which have been expressed that this will inevitably take a few years yet. But however this turns out, the need to act in accordance with provisions of Article 2(2) of the general directive No 79/112 and draw up a list of advertizing claims will not be affected. I could also make several general remarks of a legal nature concerning the relationship between general clauses and situation descriptions in advertizing legislation, but time does not permit. I will say, however, that if even the individual Member States in the same linguistic area almost without exception decide against drawing up specific rules on advertizing which go into textual details and need instead to rely on general clauses, this problem is even greater in the case of an arrangement intended to cover a number of different linguistic areas. From the purely linguistic point of view — simply from the point of translation — a glossary of prohibited expressions is just unthinkable, since the difficulties involved would be insurmountable. One and the same expression can mean different things in different languages under certain circumstances and there would be no way of formulating it with adequate prospects of certainty and reliability from the legal point of view.

As regards the question of the implementation of Directive No 79/112, which has been mentioned by many contributors to this debate, I should like to clarify a few points. Three Member States have so far defaulted in this respect and we have initiated the procedure provided for in Article 169 against two of them, but so far not against the third, i.e. Greece, since that country acceded at a later date and is still in the transitional period. Thus it is not true to say that the implementation of Directive 79/112 is to be put off indefinitely and we feel, furthermore, that we would be making a big mistake from the legislative and political points of view if we were to fail to come up with follow-up directives on the grounds that the general directive forming the basis for them had not yet been implemented. This would be playing into the hands of those who do not act on the principle of faithfulness to the Treaties and, as we see it, this approach would in the long term not benefit the Community but run

counter to its objectives. We should not condone the dilatoriness of individual Member States.

As regards the reference to the practicability of our proposal, I should like to remind the rapporteur of her oral or written question regarding biological foodstuffs in which she asks what steps are taken to guarantee that shops specializing in such products do indeed provide the consumer with the high-quality and uncontaminated products expected? It will be much easier to answer this pertinent question with the aid of the regulation currently before us than if we only have a general clause and were to do without this directive, since the use of the word 'biological' to describe foodstuffs constitutes an advertizing claim and one of which the scope could perfectly well be reduced, on the basis of truthfulness and other criteria, in such a way as to rule out the possibility of the consumer being misled.

I hope, in connection with your own question, that you share my view that arrangements are needed in this area, but that it might be possible, on closer examination, for us to agree that the directive before us provides the right answer to this question too, that the procedure in the Council and the action taken *vis-à-vis* the defaulting Member States are running more smoothly than you perhaps assume and that all in all we should prevent everything which is likely to lead to blocking of legislation in this area since, as you are all well aware, the European Parliament is going to the polls next year and then it would be too late to make up for backlogs in legislation.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

7. Protection of Irish bogs

President. — The next item is the report (Doc. 1-1188/82), drawn up by Mr Mertens on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the protection of Irish bogs.

Mr Mertens (PPE), rapporteur. — (DE) Mr President, ladies and gentlemen, this item on the agenda brings to you the report by the Committee on the Environment, Public Health and Consumer Protection on the protection of the Irish bogs. This report follows on from a motion for a resolution by Mr Muntingh which dealt with the same subject and the same concern, namely that this type of landscape is slowly but surely disappearing as the bogs in Ireland vanish. I should not be at all surprised if some Member or other did not ask whether this was really a matter for the European Parliament or whether it was simply a matter for the Irish. I trust that everyone who is going to

Mertens

speak on this subject will manage to convince everyone that this really is a matter for European concern, because it must be the desire of Europe to conserve these areas in the general interest.

Let me say a few words about the variety of these bog areas and about their development, which is really what we are concerned about in dealing with this subject. As a result of cultivation similar areas have practically disappeared on the continent. There are a few traces in southern Scandinavia and in England. Apart from a few areas in Scotland, in Europe we really only have these bogs in Ireland. And in Ireland the variety is so great that it is quite amazing that they have been conserved. You can perhaps still find bogs in North America but there is not such a wide variety as you find in Ireland.

There you find raised bogs and various types of blanket bog: highland bog, mountain bog and lowland bog. Then there are the fens which are a kind of precursor of the bogs and which occur in climate zones from west to east, from an ocean climate with greater humidity. There is a variety of flora and various ecosystems have developed. You could say that it is a marvelous world, a garden of Eden. And of course it is for this reason too that it is a magnet for scientists, ecologists, botanists, biologists and so on. After this description let me say something about the problem that has arisen in Ireland. These bogs with their peat are Ireland's sole inherent source of energy. It is obvious then that Ireland is keen to exploit this energy source and also to consider its export potential. Much of the peat has already been cut. It would of course be unreasonable to tell the Irish not to cut any more, for the sake of conserving a beautiful and varied landscape, if we were not ready somehow to accommodate them over this common matter. It is also quite clear that we have to acknowledge the fact that between five and six thousand jobs are linked to this matter. It is precisely here that Ireland's poorest people live and they have always had to cut peat for their own needs and for others, in order to combat their meagre standard of living.

It is for this reason that various bodies, including some in Ireland, have been concerned about this matter. Let me mention first of all the Ministry of Fisheries and Forestry. A peat-extraction company by the name of *Bord na Móna* has existed for some time. Its job at first was to supervise and encourage extraction but in recent years it has been realised that it is very important to conserve some major bog areas. Let me give you a few figures by way of illustrating the extent of the problem. Bogs cover about 17% of the land area of the Irish Republic and about 1–2% of the raised bogs are still in their natural state and are generally worth conserving. At least 5% of the blanket bogs are still in this state and, if it is possible, they ought to be conserved as well.

Apart from the cutting of peat, there is also the further use of the land which is of interest. It is the view of the

Committee on the Environment, Public Health and Consumer Protection that Ireland cannot solve this problem alone, and consequently we should be willing — and the Commission is called on to do so in the motion for a resolution — to consider how financial aid could be made available. This is gone into in the report. You will also find mentioned in the report all the different types of plant which I have no time to mention here.

There is one last thing I should like to say on behalf of the committee. This development should be accompanied by scientific investigation and research so that the very best is done. Lastly, let me say on behalf of the committee that I hope the House will endorse this report. Apart from recognizing the efforts of the committee, this would above all be a sympathetic gesture towards Ireland on the part of Parliament, to this country which is such a fine member of the European Community and, I might add, such an important member of the Community.

(Applause)

Mr Muntingh (S). — (NL) Mr President, there is an Irish saying which goes 'You can take the man from the bog but you cannot take the bog from the man' but I am afraid that this may no longer apply in the future. Until a few decades ago 10% of Ireland was covered with bogs, raised bogs accounting for 7%. However, studies have been carried out in recent years and have yielded genuinely disturbing results. Only a few percent, no more, of the total raised bog is still in its natural state and these few percent are split over twenty or so areas, which are listed in Mr Mertens' excellent report. All the remaining bog systems have been hopelessly damaged and can be regarded as lost. Obviously, the main reason for this is peat extraction, but drainage and planting with dreadful fir plantations for timber and over-grazing are also taking their toll. As regards raised bogs, there are only six of this kind left and these are the last in Europe — I repeat, these are the last in Europe. Of the blanket bogs too there are only a few remaining in their natural state. The seriousness of the situation can be seen from Carbury bog in county Kildare.

The Mertens resolution calls for immediate protection of this particularly important bog. Towards the middle of last year a third of this bog was purchased by a private peat development company from Dublin and in spite of the objections on the part of the National Peatlands Preservation Committee, this section has since been drained in preparation for extraction of the peat, which means that the whole bog will be destroyed.

Mr President, more than 50% of the remaining twenty or thirty living raised bogs that remain are threatened with a similar fate within the next two years. Either they are in the hands of peat or afforestation compan-

Muntingh

ies, or they will be purchased in the very near future. The remaining bogs run the risk of falling prey to extraction of the peat by private owners with the aid of subsidies from the Irish Government and newly developed machinery.

I realize, Mr President, that as a Dutchman I have not much right to speak on this subject here since we in the Netherlands have completely used up our bogs — there is hardly anything left of them and as a Dutchman it is difficult to stand up and tell the people of Ireland to take care of their own bogs. However, I am not here as a Dutchman, but as a European and if we look around and see that nature is going to the dogs all over Europe, I think the European Community in the form of the Commission must provide aid to preserve areas of great natural importance in Europe. I also think that the Irish Government itself should do something in this respect. When I see that Irish legislation on nature conservation is inadequate and that anyone is free to use the recently developed machines to blithely exploit the few remaining areas of bog I say that something should be done about it. When I see that the staffing of the Ministry of the Environment or at least of the Forestry and Wildlife Service is such that the required services cannot be kept up and when I see that Ireland's budget for nature conservation is only 1-2% of the relevant Ministry's budget, I say here as a European that we must help. However, Ireland itself must realize that these vitally important bog areas must be preserved for the future, including that of the Irish people.

Mr President, we must all, I think, endeavour to save the areas listed at the end of Mr Mertens' report by means of a joint effort as soon as possible, and I call on both the European Community and the Irish Government to get down to this task jointly.

Mr McCartin (PPE). — Mr President, I want to thank Mr Muntingh for bringing up this subject, and Mr Mertens for his very detailed and excellent report on the whole topic. Mr Muntingh said he did not have the right to speak. Indeed, he has a right to speak, and every European has the right to speak on the subject. I welcome his interest in the subject and, most certainly, there is nothing he has said that I could disagree with.

In Ireland, long ago, someone who came from the moors or the bogs would often be regarded as somebody from a backward place, and many a countryman blushed scarlet at the idea of being referred to as a bogman. If he were in this Parliament today to hear Mr Mertens and Mr Muntingh in educated and intelligent terms speak about the beauty of Irish moors, such countrymen would have their pride restored to them. I must say that I was proud of the manner in which this subject was dealt with.

I have had experience, of course, of walking over these bogs and moors and of playing in them. I did not

know the names of the herbs and plants that Mr Mertens so ably described, but I knew bog cotton and heather, and various other plants we knew by sight. Mr Muntingh and Mr Mertens have produced a document which can be studied by people who are interested. I believe that those of us who knew the bogs, who worked in them and who reclaimed them to grass thought that we were doing something very important, which indeed we were.

This brings me to the next point. I believe that we should conserve as much of this important area as possible, but we must not ask the smallholders who own this ground, in common with other smallholders, to suffer financial loss. We must, if this Community is interested in preserving something for the future, all of us together bear the cost of doing this. When we speak about acquiring land which belong to farmers who need extra acres to give them the sort of income that the farmers of Holland have provided for themselves by the reclamation of their bad land, bogs and moors, we must assist those people to surrender this land and compensate them for their loss to the same extent as they would have gained had they developed or exploited it either for energy or agricultural purposes.

The last thing I want to say is that I cannot accept that we should deduct money earmarked for drainage or development purposes. We should add money for the purpose of conservation. I believe that this is the manner in which we should approach the subject. I do not think we can or will have any disagreement about that.

I have put forward a few amendments which I think have added to the value of the report, and I would be grateful if the House could support them.

Mr Maher (L). — Mr President, I was quite impressed by Mr Mertens' report. I am not sure whether there are any bogs left in his country, but he spoke as somebody who already had a great deal of knowledge; and I compliment him on the work he has done. Like Mr McCartin, could I also say to Mr Muntingh that I am quite delighted he has raised this subject. I have no objection whatever to these matters being talked about. I think we should all be conscious of the need for conservation of man-made objects or those which are left to us by nature.

However, Mr President, I must say that what I think we want to do is to try to find a happy medium between the commercial needs of the people who live in these areas and the need for conservation. I think that is what is important.

Could I make the point in passing that we have in Ireland a very low level of afforestation, for instance. We already have these bogs that have been cut away and the peat extracted. If we had a better developed forestry policy in the European Community — which would be helpful to Ireland — we could plant many of

Maher

these areas with trees which would provide future employment in these areas, and also greatly improve the landscape.

Mr President, there is a need to focus more attention on this question, because people who live in these areas want to try and reap benefits. They want to continue to live there, and there is little good in saying to them: 'Look, do not touch this area'. They want to continue living there. If we say to them: 'Look, you cannot touch these areas for your own commercial use', we have to find a different way. It might be a very good idea to organize a conference in Ireland, with the participation of the Commission, with people like Mr Muntingh, Mr Mertens and all those who are interested in conservation, together with government representatives and organizations that represent the people who own, this land, to see whether we could come to a good solution for the future. I think people are prepared, if the need for conservation is explained to them, to cooperate willingly, but there is a need for us to come together and fashion a policy which will ensure conservation for the future and also meet the commercial needs of these people.

Mr Lalor (DEP). — Mr President, first of all, in line with the decision taken this morning, I want to declare an interest. I am a bogman.

I have to confess that, unlike my colleagues, I have felt rather saddened to read this resolution and to note the extent of what it asks. It asks Parliament to approve of the immediate transfer by the State itself, on the one hand, and a nationalized State body on the other, of extremely valuable virgin bogland — both raised bog and blanket bog — to a private organization or committee known, apparently, as the National Peatlands Preservation Committee.

We gather from the explanatory statement that this committee is now one year old, having been founded at the beginning of 1982. I have made enquiries this week and have learned the composition of this committee, and I have to confess that they are all, as far as I can ascertain, very eminent and responsible people and all very highly qualified, educationally and botanically, for the function they have assigned themselves. Nonetheless I ask, Mr President, would it be proper for this Parliament to decide that 10% of the total appropriations earmarked for industrial and agricultural development projects should be set aside for nature conservation and be handed over to this self-appointed committee?

The resolution also proposes that, as has been said, Carbury bog, rightly described as the best and most intact example of raised bog in my constituency, and the Raheenmore bog in Country Offaly, which is already protected by the Irish Government as a nature reserve, be handed over to this one-year-old private committee set up by a Dutchman. I am surprised that

you, Mr Collins, the chairman of the Environmental Committee and a declared Socialist, should advocate this transfer from State to private hands.

I fully agree that conservation — and, indeed, redevelopment — of our cut-away bog is very badly needed. The explanatory statement gives due credit to our peat development company, Bord na Móna, for its provision of the 5 000—6 000 most urgently-needed jobs and the saving of 100 million Irish pounds per year which would otherwise have to be spent on oil imported into the Community. While we legitimately worry about the wildlife habitat and its preservation, let us not forget human life or overlook the fact that when our Turf Board launched our peat-harvesting scheme over 30 years ago, two out of every five children born in Ireland were born to emigrate!

I must stress that the Board has done a wonderful job in the meantime and has contributed to stopping emigration, provided massive employment by our national standards and assisted us appreciably in combating our energy problems in recent years. That is not to say that I do not expect our Irish Government and its institutions to accept fully, as I do, the merit of ensuring that the peatland sites outlined by Mr Mertens in Annex II are earmarked for preservation. I fully support that exhortation, I would remind the House, however, that the Commission has recently sent a draft resolution to the Council urging, on the one hand, special funding to encourage non-pollutive industries and, on the other hand, calling for the urgent provision of funds for the acquisition of land for nature conservation. This I fully recommend. If you people in Europe, Mr Muntingh, want something preserved in Ireland which you destroyed for economic reasons, why should we not be offered some compensation if our people now have to forego the benefits? Mr Mertens said that he should have made provision in his resolution for the making of compensation, but he did not.

Finally, Mr President, I was recently at a meeting in the flooded Shannon Valley alongside these bogs and alongside my constituency, and a concerned farmer present there who has to eke out an existence told me to tell my European ecological friends to try living on his snipegrass instead of shooting over it, before lecturing him on human and animal lifestyles.

Mr Pattison (S). — Mr President, in general I welcome this report, for it has many positive aspects. It proves to us, if we needed proof in Ireland, that we have a very valuable asset which is the envy of our neighbours in Europe and elsewhere. We welcome this report and, indeed, any attempt to help us to get over the dilemma of, on the one hand, reacting to suggestions as to the conservation of this asset and, on the other, solving the problems outlined here by previous speakers from Ireland, and those are the economic and commercial problems that might result from a full implementation of the proposals contained in this report.

Pattison

Land in Ireland is in short supply; there is not much of it. Apart from Luxembourg, I suppose we have less land than any other country in the EEC. Therefore, we must be forgiven if we are a little tightfisted about parting with any of it. The land of Ireland does produce a good and a fair livelihood for many of our people. Indeed, many of our people look forward to the day when they can get the use of some of this boglands, as it is known, to make good agricultural produce from it. All this presents us with a dilemma, and we look to the EEC institutions to help us out of that dilemma.

Furthermore, the bogs of Ireland produce around 15% of our energy resources, and we are one of the largest importers of energy in Europe, if not the largest. Hence we have to be extremely cautious about any measure that might appear to limit or reduce our own native energy resources.

These, then, are the problems that have to be overcome, and I hope there will be further consultations with those directly concerned in this matter. We have a very successful semi-state body, Bord na Móna, which has successfully exploited the resources of our bogs over the years. In doing so, it has contributed enormously to the economy of Ireland and to the number of jobs which we provide in our country.

With those few reservations, I wholeheartedly welcome the interest taken in this aspect of Irish life.

Mr Protopapadakis (PPE). — (GR) Mr President, in any attempt to protect the natural environment, whether dealing with the bogs of Ireland, the islands of Scotland — which were referred to yesterday — or the islands of the Aegean, which we will perhaps be discussing some other day, the first step must be the protection of the people who live in this environment. A natural environment without people is worthless. However, these people wish to live, and they wish to live in conditions similar to those in which we ourselves wish to live. Therefore, economic development must go hand in hand with protection of the environment. I therefore disagree with the suggestion in the motion that appropriations for industry and agricultural development should be cut back in favour of protection of the environment. I would prefer spending on agricultural and industrial development to be increased, so that these sectors can cope with the increased expenditure required for development in harmony with the environment. Then, we can keep the people and traditions in their place, and this would be a proper policy for protection of the environment.

(Applause)

Mr Narjes, Member of the Commission. — (DE) On behalf of the Commission let me thank the rapporteur and the Committee on the Environment, Public

Health and Consumer Protection for an excellent and thorough report which in every respect was outstanding. The report reflects the concern over the need to conserve specific Irish bogs of international and scientific significance, and this idea is expressed in the motion for a resolution.

In the framework of the Community's policy on the environment the Commission is striving to identify important biotopes and to develop suitable measures for their conservation. With the passage of the 1983 action programme on the environment the Council of Ministers decided that measures to conserve endangered areas of importance to the Community should be accorded priority among the tasks covered by the action programme.

The recommendations contained in the motion for a resolution are of course mainly directed at the Irish authorities, but the Commission on the whole agrees with them, especially those which concern the conservation of typical bog types. We also go along with Amendments Nos 1, 2 and 5, which are directed specifically at the Commission.

As for paragraph 5 (a) of the motion for a resolution, which concerns the availability of financing from the Environmental Fund, I can only say that the Commission has already included under Item 6611 of the Budget the financing of a survey for the creation and administration of a nature reserve at Clonmacnoise in County Offaly. This area includes Mongan Bog, a raised bog with practically undisturbed vegetation which has been handed over to *An Taisce*, the National Trust of Ireland. The ability of the Commission to go on supporting the conservation of typical bog types depends to a very large extent on whether its proposal for a regulation — Document COM(82) 849 — on a Community environmental programme is soon adopted and whether sufficient resources can be made available to provide financial support for the conservation of endangered areas of Community importance.

The first discussions about this matter in this Assembly are encouraging. You will remember, however, that the funds available for this in the 1983 budget were unfortunately cut from the 1982 level, when this first appeared in the budget.

As for paragraph 5 (b) of the motion for a resolution, the Commission will be happy to consider proposals which can be co-financed as part of the environmental research programme. An invitation to submit proposals was published in the Official Journal on 1 March this year and such proposals will be accepted until 31 May.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

8. *Indicator substance in milk (continuation)*

President. — The next item is the continuation of the debate on the report (Doc. 1-1175/82) by Mr Diana.¹

Mr Buttafuoco (NI). — *(IT)* Ladies and gentlemen, our attitude towards the Diana Report has already been summed up in Mr Petronio's statement concerning Mr Delatte's report on prices.

We are therefore in full agreement with Mr Diana's report — which, moreover, is extremely detailed — examining fraud in cheese production and supporting the need for an indicator substance in milk powder for animal feed which has received EAGGF subsidies and which is used in the most obvious type of fraud.

Each year, 20% of Community milk production is processed to skimmed-milk powder and usually used to make cheese. Since the casein content of milk powder is not constant, the cheese manufacturer adds caseinates directly and indiscriminately, encouraged by the lack of Community directives providing comprehensive instructions, valid for all the Member States, on the method to be used in manufacturing dairy products.

As Mr Diana emphasizes, we are today faced with a situation which urgently requires Community intervention, in the form of a regulation making it forbidden to use substances which are not milk products, such as casein and caseinates, in the manufacture of cheese, and making it obligatory to indicate on the packaging of produce for human consumption whether raw materials other than liquid milk have been used, and the quantity used.

We are also in agreement on milk powder for animal feed. In order to avoid double fraud — to the detriment of the consumer and the Community budget — the rapporteur's suggestion that a harmless product be used which can be easily recognized in analysis is desirable.

We therefore hope that the Diana report will be approved as drafted by the rapporteur.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

9. *Recycling petrodollars*

President. — The next item is the joint debate on the report (Doc. 1-1197/82), drawn up by Mr Purvis on

behalf of the Committee on Economic and Monetary Affairs, on the recycling of petrodollars, and on the oral question with debate (Doc. 1-1376/82) by Mr von Bismarck and others to the Commission:

Subject: World monetary position

1. How critical is the indebtedness position of certain developing countries, state trading countries and major multinational corporations and banks to the stability of the world monetary system, and to Community economic prospects in particular?
2. What actions have been taken by the Community and its member states to meet these risks, have they been adequately effective and what further measures might be contemplated?
3. Has the role and activity of the supra-national financial institutions (IMF, IBRD, IDA, etc.) been sufficient and is there a discernible Community position regarding their policy and management?
4. Is there a need for a better monitoring of the Euro-currency markets and the credit worthiness of participants, and is any Community action envisaged in this regard?
5. What part could the EIB, the ECU and other Community instruments be expected to play in meeting the current world monetary situation and also to assist the world economy out of recession?
6. Is a new International Monetary System desirable, how could this be constructed and what is the attitude of the likely participants?

Mr Purvis (ED). — Mr President, it is with some regret that I have to ask whether we can defer this report and the oral question to the April part-session. After discussion with all the groups and with the Commissioner concerned, I feel that the very fluid nature of the world oil and monetary situation at the moment makes a certain updating advisable and that we should bring back this matter during the April part-session, preferably on a day when the Council is present, as the oral question is addressed to the Council of Ministers as well as to the Commission.

I therefore move that the House approve deferring this item to the April part-session and that the deadline for amendments be fixed for midday on Friday, 8 April. I ask this under Rule 87.

President. — I must ask if anyone wants to speak against this.

Mr Wedekind (PPE). — *(DE)* I am against any deferral. I know that the world oil situation has

¹ See debates of previous day.

Wedekind

changed. It may be that oil prices will be even lower in April, but they could be a bit higher. But the basic problem, as I see it, is not going to change. We can of course say that we ought to wait until 1984 before discussing the report on the recycling of petrodollars, because something is bound to have changed by then. I would agree to such a move. But I do not agree with just postponing the report for a month.

Sir Fred Warner (ED). — Mr President, where are the authors of the oral question with debate? Where is Mr von Bismarck and the other backers of this? We are in a bit of a vacuum here, aren't we?

President. — I am afraid I cannot check who is in the Chamber at the moment.

(Parliament agreed to the request by Mr Purvis)

(The sitting was suspended at 7.40 p.m. and resumed at 9 p.m.)

IN THE CHAIR: MR MØLLER*Vice-President***10. Energy policy**

President. — The next item is the report (Doc. 1-1200/82), drawn up by Mr Percheron on behalf of the Committee on Energy and Research, on the pre-conditions for an effective energy policy in the Community.

Mr Percheron (S), rapporteur. — *(FR)* Mr President, this own-initiative report — entrusted to our colleague Mr Edgar Pisani some time ago — was drawn up over a period of time when a barrel of oil cost 35 dollars, OPEC was apparently in control and the European Community was faltering over meeting its own energy targets and had definitively abandoned the idea of a common energy policy, following two oil crises. This report is now being submitted to Parliament at a time when the price of oil is once again news headlines.

The misgivings — I would even say the anxiety — of the industrialized nations faced with a drop in oil prices shows the extent to which it is desirable for Europe never to abandon — even when there is no energy crisis — attempts to gradually take control of its own energy supplies, which is a major problem. Unlike in 1979, for example, we are no longer facing

an energy crisis. But we have to acknowledge our obvious vulnerability. Safeguarding continued supplies remains a crucial item on the agenda. We still have to contend with OPEC — whether weak or strong — and with the strategic size of the Strait of Hormuz. If the hoped — for return to economic growth occurs — and lasts — the Community will soon be reminded that it is going to be the prime importer of oil for a long time yet.

After the crisis and despite its obvious vulnerability, the European Economic Community was either unwilling or unable to devise a common energy policy. But today it is able to define a Community strategy which will enable the ten Member States to attain jointly the targets already fixed. This strategy should lend a new coherence to national policies and efforts and boost the Community on to the greater will needed for any real achievements to be made. This Community strategy would be a true political force, if it were above all forged in a spirit of solidarity which would not fail even in a major crisis. It could help to promote the European ideal by fostering an awareness among the people in our various countries of their common interest in rising together to meet the challenge of energy requirements. Why not organize an exceptional information exercise, consisting of a balance sheet of the energy resources in the Community which would be examined regularly by the European Parliament and presented to the national parliaments?

It is obvious, however, that this Community strategy will not come to anything unless energy assumes priority among Community policies. When you talk about priorities you have to talk about financial resources. An increase in own resources — possibly linked with an energy strategy — an increased share of the budget, the creation of an energy section for the EIB, the placing of a levy on hydrocarbons — a levy which could be collected partly by the Community and partly by the Member States — are all possibilities which would enable the Community to mobilize all its instruments from the ECSC to the ERDF, from Euratom to the EDF, to attain its common objectives. Either we admit that energy is a vital problem for the Community and devote appropriate financial resources to it, or we decide that this is no longer true and give up the idea of any Community strategy.

It was not the purpose of this report to go into great detail over one or another aspect of energy problems. I nevertheless feel that coal and nuclear energy deserve more attention, particularly from the European point of view. Coal is the number one energy source indigenous to the Community — which has become the prime exporter of the world for this mineral. The ECSC has existed for more than thirty years. The great industrial regions of Europe were built on coal. Can Europe possibly be credible in the energy sphere without a coal policy?

In the same way, we have Euratom. The European Council has pointed out the need to develop nuclear

Percheron

energy. Does not the Community have the ideal structure for informing the public about nuclear power stations and quelling its fears, by giving these power stations just the right amount of emphasis in a Community strategy, by taking up again, for example, the idea of 'contracts for convergence' contained in this report.

Immediately following the first oil crisis, Europe's first reaction was the correct one: common objectives, close coordination between Member States, expansion of Community energy production, and a research and development campaign. This was all overtaken by events, however, and then came 1979 with a deepening of the crisis. It seems that we have been granted a respite now. Let us use it to give Europe the means of progressing towards self-sufficiency in energy, which is one of the preconditions for prosperity and freedom.

Mr Linkohr (S). — (DE) Mr President, ladies and gentlemen, we are talking today about the preconditions for an effective energy policy, which is nothing more than a polite way of asking why we need a common energy policy in the first place. Anyone who is prepared to give the matter a little thought will come across three good reasons. Firstly, there is the purely formal one which is that we have contractual obligations. Secondly, there is what I would refer to as a kind of humane argument: for reasons of solidarity. Thirdly and finally, there is the really basic argument which is that it is in our political interests.

If we take a look at the history of European energy policy after the war, we will see that progress has always been made at times when we have been under threat from outside. That was the case after the Second World War, when the European Coal and Steel Community was founded in the early 1950s, and the same situation applied in 1957 when we concluded the Treaties of Rome. Then nothing happened for a long time until, in 1974, the first oil price shock induced us to set up the International Energy Agency as a kind of third institutional pillar.

It seems to me that we should have learned by now that, even at a time of relative lack of tension on the energy market, we should persevere with the aims we ourselves have formulated. It is precisely now, at a time when energy has once again become a little cheaper, that there is a risk of our losing sight of the fact that we must pursue an independent energy policy as a cornerstone of our work in the 1980s and 1990s.

The second point I should like to make, very briefly, is that it is not only threats from outside, but increasingly those from within, which are pushing us in the direction of a common energy policy — such things as environmental considerations, the threat to our forests — and not only our forests — from acid rain, and the safety problems relating to nuclear reactors. All these are problems arising within the Community itself, and

which can only be solved by our making common cause.

Allow me to say in conclusion that this House should not now take a short-sighted view and say that, now that we have cheap oil again, we can forget the whole common energy policy. On the contrary, it is up to us to pursue a policy directed towards making Europe invulnerable, as Mr Percheron said in his introductory speech. Those are the points I wished to make and I very much hope that the Commission, Parliament and the Council will take the point and not let up in their efforts.

President. — I am sorry, Mr Linkohr, that your name was spelled wrongly on the television screen. I hope it was corrected while you were speaking, and I trust it will not happen again.

Mrs Walz (PPE), chairman of the Committee on Energy and Research. — (DE) Mr President, ladies and gentlemen, I should like to begin by thanking Mr Percheron for his excellent report, which meets with the approval of the Group of the European People's Party. He has set out to consolidate what has already been achieved, to strengthen solidarity within the Community, to encourage the investment we so urgently need and to map out new paths in the field of alternative energy sources. His report comes at a time which may see the outbreak of an oil price war. Iran is already selling off its oil at 26 dollars a barrel, and the Russians have oil on offer at 27.5 dollars. At the same time, there is increasing unrest on the commodity, futures and financial markets. Too many oil-exporting countries now find themselves in a desperate predicament, and only two of them could boast a balance of trade surplus in 1982.

The decline in energy consumption is forcing the oil companies to cut back their programme of investment, especially in the field of alternative energy sources. Tar sands, oil shale, coal gasification and coal liquefaction are all affected by the cuts.

The behaviour of the gas oil sector in 1982 was typical, investment being cut back by a thousand million dollars, and the investment programme for the next five years by some 25%.

A new study produced by the New York Chase Manhattan Bank warns of the wide-ranging repercussions of a collapse in the price of oil. According to their calculations, a fall in the price of oil from 34 to 26 dollars would result in the oil industry cutting back its level of investment by at least 300 000 million dollars or 20%. The knock-on effect on the supplying industries and the jobs dependent thereon would be quite incalculable. The background conditions for an effective energy policy are clearly that petroleum and its derivatives should continue to play an all-important role,

Walz

despite the increased utilization of coal and nuclear energy.

Consequently, the recent fall in the price of oil — and no-one can say as yet how long the fall will last, although normal prices — something like 31 dollars a barrel — are expected to return towards the end of the 1980s — will have repercussions on a major scale. Some people anticipate a major crisis in the world monetary system, while others — the Director of the IEA, Mr Lanske, among them — expect the banks to be able to deal with the crisis. A study produced by the Ministry of Finance in Bonn believes that the fall in the price of oil will provide us with more benefits than risks, which is true so long as the price does not go through the floor. If, however, the fall turned out to be too drastic, our successes in the field of energy-saving would be placed in jeopardy, and no further progress would be made in the essential investment in alternative energy sources.

We must also work on the assumption that the OPEC countries and other oil-suppliers with a high level of imports will be harder hit by the reduction in their purchasing power than countries with a lower level of imports. Mexico and Nigeria would thereby slide even closer towards bankruptcy, and Community exporters who have tapped new markets in the oil-producing countries would feel the pinch.

We cannot as yet assess the repercussions on the economic situation in the Community, but we must probably assume that our exports would fall. I should like to comment very briefly on the subject of biomass. An OECD study of October 1982 estimates that, by 1990, something between 1 and 3% of the OECD countries' total energy requirements could come from biomass. That should enable us to keep our surpluses of foodstuffs down, but at the same we should find it impossible to keep up the same level of food paid which, given an unchanged rate of growth in the population of the developing countries, would have to be increased rather than cut back.

The FAO study entitled 'Agriculture towards 2 000' therefore contains a warning against the adoption of a policy along those lines, a decision which will soon have to be taken by those countries with a surplus of cereals. At any rate, secure energy supplies presuppose predictable long-term price trends as the only means of calculating trends in energy sources other than oil.

Mr Purvis (ED). — Mr President, here we have a small drop in oil prices, we have OPEC in disarray and one can almost feel the complacency arising from the petrol-stations of Europe. Surely we must learn our lessons from history. So, as Mr Percheron says, the breathing-space that we have should be seen as an opportunity rather than as the end of the problem.

If I understand properly the purpose of this report, it is to bring up sharply those who dismiss the need for a

Community energy policy. We therefore find that the preamble to this motion for a resolution encapsulates the essence of the question. It lists those factors which must make any reasonable person or any reasonable country conclude that such a policy should be actively pursued rather than just accepted on sufferance.

How do you assure your industry of guaranteed energy supplies at reasonable prices? How do you maximize the effectiveness of energy investment — by each of ten countries going off separately or by ten countries going together? How do we properly exploit our indigenous energy resources? How do we best deal with external suppliers of energy — separately or together?

How do we avoid unfair and pointless leapfrogging of competition through energy pricing except by common rules, common standards and transparency? How do we ensure that investment decisions are taken in good time and not constantly undermined except by agreeing on a common purpose? And how do we avoid the catastrophic world political effects of unbridled competition for scarce, narrowly-held and critical raw materials but by mutual solidarity in the event of emergency and by ensuring free trade and availability through our combined political strength and purpose?

When we realize fully that the interests of each and every one of our Member States are common interests, no matter how much oil or gas or coal or nuclear power any one of us may have, then we have some hope of developing a worthwhile, meaningful and beneficial Community energy policy. Or is the only thing that will bring us to our senses another overwhelming crisis, another OPEC blockade, another war, invasion or *coup d'état* in the wrong place?

Mr Damette (COM). — (FR) Mr President, ladies and gentlemen, the text before us — submitted by the Committee on Energy and Research — contains a number of interesting points which meet with the approval of the French Communists.

The explanatory statement emphasises the need to promote coal production within the Community, including in inaccessible coalfields. We are entirely in agreement. The report proposes an ambitious European plan for coal production which supports Member States. This is clearly aligned with the desire of the French Government to push national production up to 30 million tonne in 1990. We are wholeheartedly in favour of this resolution.

On the other hand, I have to express serious reservations about other aspects of the document. When the text suggests that we should give preference to imports from countries which are on principle close to the Community, this clearly means cutting trade with the Third World in order to benefit the great capitalist powers through multi-nationals, the dollar and the protection of cartels.

Damette

Replacing oil imports by coal imports is not reducing our dependence, it is merely changing the form of that dependence and in a sense which may be negative. I ask you: does replacing Algerian oil with American coal constitute progress? Does substituting South African coal for Nigerian oil constitute progress? Unfortunately this is what is happening and we can see the effects. Calling for a general mobilization against OPEC is also a way of declaring economic war on the Third World.

I feel obliged to say that the motion for a resolution leads on to a highly unconvincing proposal. Can we really envisage a European tax on oil consumption? We do not believe so. A European tax could only take the form of a deduction from national taxes, which would be of little value and would bring in no additional resources.

However, there are other ways of achieving this and which are easier to apply. The ECSC Treaty itself contains clauses which have not yet been used. For example, Article 72 provides for the fixing of customs duties on coal imported from third countries. The ECSC has allowed this Article to fall into disuse with the result that coal imported from outside the Community enters freely, to the detriment of European production. Why not suggest fixing a ceiling duty — at a modest but nevertheless realistic level, of course — say, at about 5 ECU per tonne. That would provide the Member States concerned with additional resources for relaunching the coal industry, while at the same time favouring the coke trade within the Community.

I must express surprise at the fact that the problems of oil supplies have been raised in terms of a confrontation with producing countries, while the role of cartels and especially of the dollar is totally forgotten. For why should Europe — which is the world's biggest importer of oil — be obliged to submit to the yoke of the dollar for its trade? Isn't it about time that we should be asking ourselves whether or not the ECU should be introduced as an international currency and primarily for the oil trade? There is no doubt that this would be a most positive innovation in the general interest.

On the whole, we consider that this report by the Committee for Economic and Monetary Affairs is both contradictory and full of shortcomings. The way we vote, therefore, will depend on the fate which meets our amendments, particularly that concerning South Africa. For we feel that it would be hypocritical of this Assembly to talk about the international coal trade while at the same time pretending to ignore the growing role played by this country of racism and apartheid and which is bolstered by European capital.

Mr Galland (L). — (FR) Mr President, ladies and gentlemen, I was listening carefully to Mr Damette and could hardly believe my ears since it seemed — to

my utter astonishment — that a consensus on energy was being achieved in this House, involving both the left and the right. What a surprise!

We will be voting for your report, Mr Percheron, but not like Mr Damette. I am not going to start by saying that I support your report and then shoot it down in flames over a certain number of key points. We will be supporting it without reservations. To begin with, I should like to say that in the European context, energy has two faces, just as icebergs have two parts. For the Commission and the Parliament, energy represents hope and a solution, while for the Council, energy is an excuse for hypocrisy, lack of political will, and I would go so far as to say irresponsibility and even incompetence.

Having been rapporteur for the energy budget in 1981 and 1983, I am in a position to say that the Council, by reducing year after year the appropriations for energy and research, is thwarting ambitious, effective and economically sound activities which would benefit the entire Community.

That is why we have to ask ourselves whether our work — however good the quality — is likely to meet with success, and this includes Mr Percheron's report. In any case, it is better to try to forget the systematic and collective attempts at destruction on the part of our national governments who do not want Europe to be built, and to carry on building and proposing, without getting discouraged.

We approve of practically all the major points in Mr Percheron's report and are happy to see that nearly all of our amendments have been adopted by the Committee on Energy; This, to our mind, substantially improves the report. I should just like to make a few remarks about this point. With regard to paragraph 12 of the motion for a resolution, we do not believe that common nuclear safety standards can be implemented so long as the Member States of the Community are not parties to a voluntary electro-nuclear policy. It must be clear, beyond the shadow of a doubt, that the anti-nuclear lobby cannot be allowed to hold up the programmes of those who want to devise an electro-nuclear policy and who have given ample proof of their sense of responsibility and their perfect mastery of the technologies involved.

We back up the point made in paragraph 13, regarding what we Liberals have called the CEP, i.e. a common energy policy, which necessitates financial resources which go beyond those currently available. We feel that it is a serious mistake, however, to want to create a Community energy tax and one of our amendments seeks to cut it out. But I do reassure you, Mr Percheron, that this is our only reservation and our only amendment.

Paragraph 20 points out that some problems raised by the common agricultural policy can be resolved by a

Galland

Community energy policy. The implementation of a special European gasohol programme is vital — in our opinion — as it can help to solve at least three problems. The first is that crops currently in surplus can be replaced with those intended for the production of energy. Secondly, the Community can be rendered less dependent on oil imports which will in turn improve our external trade balance. Thirdly, such a programme can help create jobs.

In line with paragraph 22, we feel that it is vital and urgent to set up European research centres in which ever Member States hold a clear lead. This echoes the convictions of the chairman of the Committee who told us how he felt in a meeting. But we must be clear about this. I hope I am correct, but I would be grateful if he would confirm it, because I am not altogether sure whether or not we have a slight divergence of conception here from that of Mr Davignon, the Commissioner responsible for energy and of whom we have great hopes and with whom we would like to agree entirely on this subject. Maybe we will be able to convince him of our point of view. Research centres of this type would enable us to make better use of our researchers, to draw greater profit from our investments and to avoid the same work being carried out in several different countries of the Community at once. They have to be set up quickly — we cannot cease saying this — because otherwise, if we let several Member States put massive investment into the same fields in order to carry out the same research projects, it will be too late and the point of non-return will have been reached.

Finally — last but not least — cooperation on energy with developing countries is both a duty and a necessity. We must continue in the direction of the appropriations approved under the 1983 budget by Parliament for Article 947 and cooperation on energy with developing countries. Here again I want to make myself clear. We will be asking the Commission during Question Time before this summer to give us a report of the steps taken to apply these funds provided for under Article 947.

Those are some of the key points of the report, in favour of which we Liberals will be voting unanimously. Let us hope that it will be adopted by a very clear majority which will succeed in opening the eyes of the Council because I am sure, ladies and gentlemen, that this Europe of ours could be much more successful if only our governments would lend an ear to us occasionally.

Mr Vandemeulebroucke (CDI). — (NL) Mr President, the original report for which Mr Pisani was appointed as rapporteur, was in fact drawn up on the basis of a strong OPEC and the accompanying high oil prices and this was obviously why the question of diversification of energy supply came up. I have listened carefully to various speakers, including the

chairman of our Committee on Energy and Research who, among other things, called — and quite rightly — for rational use of energy. However, where I do not quite see eye to eye with my otherwise charming chairman is on the question of alternative energy in so far as she claims that the reduction in oil prices means that alternative energy can no longer compete. Obviously, oil prices are dropping at the moment, but this will only be a passing phase.

However, I would like to point out — and this is the main reason for my speaking, Mr President — that 11 of the 26 paragraphs mention the possibilities of exploiting coal resources. Thus the Percheron report rightly calls for larger-scale exploitation of existing coal resources and the Committee on Energy and Research regards this as an important contribution towards a more appropriate Community energy policy. It is also to Mr Davignon's credit that he pressed very firmly for a coal policy during the budgetary procedure and I can only join him in regretting the fact that the Council has failed to follow his recommendations. However, the rapporteur on the other hand also calls in paragraph 17 for the Member States to give a vigorous boost to their nuclear programmes and I would like to say that this approach, which suggests that coal and nuclear energy are automatically complementary to each other certainly does not apply in the case of the Member States which have already for some time been investing almost exclusively in the nuclear sector — I am thinking here in particular of Belgium. Indeed, the previous speaker, Mr Galland pointed out that we should think in terms of diversification on as broad a scale as possible.

My country, for instance, is planning to have a hand in the French nuclear facility at Chooz in exchange for French participation in the nuclear plant at Doel. If this protocol agreement becomes a reality, my country will suddenly have 16 nuclear plants within a radius of 150 km of Brussels. However, Belgium already has an enormous energy over capacity of 35% — according to Belgian Government figures — and this will rise to 49% by 1985. On top of this, my country still has enormous coal resources — I am thinking here of one of our provinces, i.e. Limburg, which has one of the highest rates of unemployment in the whole of Belgium and has in fact been designated a development area by the European Commission. If a 600 Mw coal-fired power station were to be built, this would not only provide scope for more employment but would also put Flanders in a position to get out of this vicious circle of one-sided nuclear investment.

Thus, in my country coal and nuclear energy are anything but complementary — indeed they are at odds with each other, since the nuclear overcapacity has resulted in a major drop in the utilization rate which in turn means that the construction of coal-fired power stations is regarded as uncompetitive from the economic point of view. Thus I find the Percheron report lacking in that it fails to make the basic point that di-

Vandemeulebroucke

versification on as broad a scale as possible of the available energy sources should be our basic starting point and that a monolithic option should be rejected in those Member States where a variety of energy sources is available. I wished, therefore, to stress this point and I entirely share Mr Davignon's views in this respect, I think. I should like to congratulate him once more on his intention to finally inject some new life into coal policy. However, this will also mean that the Member States in question must be prepared for diversification.

Mr Protopapadakis (PPE). — *(GR)* Mr President, energy is the primary need for man if he is to have food, clothing and housing. It is only by means of abundant energy that we can achieve our main objectives: the fight against poverty, peace, a comfortable life with a variety of creative activities. If public opinion had been aware of this, we would have built a European — or even a world — energy community before building the economic community.

In order to achieve these results, we must get energy into our blood, so as to arouse us from the lethargy of self-satisfaction which plagues Europe. Only then will the opinions expressed in the Percheron report and by the previous speakers assume any value. Energy production is an extension of our vitality. It increases our power and broadens our lives. However, it cannot replace our life or take its place. The spark needed to switch on the source of energy must originate from the human organism. The people of Europe must therefore realize that they cannot expect everything from technology.

Mr Veronesi (COM). — *(IT)* Mr President, the Italian Communists and Allies Group will support the Percheron motion.

We have not presented any amendments, but will vote in favour of some of those tabled by other Members and which improve its content. Our attitude shows that we share the spirit underlying the motivation behind this motion.

The origins of this own-initiative report go back a long way. The idea of such a report was first conceived within the Committee on Energy and Research in 1980, at a time when there was much legitimate concern over the short, medium and long-term energy situation in the Community.

Basically, the Committee realized that the prospects for energy supplies in Member States were poor, extremely poor. Have these prospects changed in the last three years? We believe that, in spite of developments, there has been no change. The uncertain political situation in the areas from which oil comes, the unstable prices, and the general difficulties in using coal and nuclear power — for many reasons, which

have often been debated in this House — mean that this problem is still highly topical. Moreover, it should not be forgotten that, for the long term, the assessments reached in the past in the many and long debates which have taken place in this House remain valid.

It is therefore correct to assess the basic guidelines for a clear, credible and feasible Community policy. The basic approach has to some extent been recognized by the Commission, and I believe that the Commission and, in particular, its recent dynamism on this matter deserve credit for this. However, the implementation does not seem to be progressing consistently enough or dynamically enough. The Super Sara episode, for example, was a very serious symptom of uncertainty.

We therefore believe that this motion — the Percheron report — is a further stimulus for practical measures to implement programmes which have already been prepared, and that it brings into focus the prospects for the future. We do not hide the fact that we feel a certain amount of frustration at past experience, but would take this opportunity of reaffirming our wish to play a part in ensuring that the Community energy policy is vigorously promoted.

Mr Davignon, Vice-President of the Commission. — *(FR)* How cosy it is here tonight, Mr President! I should like to thank Mr Percheron for his report and tell him that as far as I am concerned I have only one regret, namely, as Mr Veronesi has just pointed out, that no reference has been made in the document to a number of events which have occurred. I think that it is a pity that there was no mention of the fact that Parliament had decided — almost unanimously — on a number of objectives which can be found — and in much greater detail — in the documents on a Community strategy proposed by the Commission.

I am not mentioning this because I wish to dole out praises to some and blame to others. The fact that we are all so keen on this report is because it is a political exercise aimed at putting an end to the Community's frustrations over an energy policy.

Indeed, we are all rather tired of moaning about what we don't do. What we really want is, once and for all, to fix precise targets, to acknowledge what we are doing and what we cannot do and to draw the inevitable conclusions. That is how I feel and why I have said what I have said.

Secondly, I think is worth while saying something about the situation as it really is. In the text before me, I have not been able to find what Mr Damette found, namely an appeal against the OPEC countries or oil producing countries. I have not read anything of the kind and should like to say that I am convinced of the opposite, namely that if the drop in oil is a good thing — since the increase in the price of oil was excessive in

Davignon

relation to demand — should the price of oil fall dramatically this would be a very bad thing for producers and consumers whether in developing or industrialized countries. The Community — I say Community and not the Commission and the Parliament — is therefore at a crossroads and must clearly state its position.

Of course, a slight drop in the price of oil is a good thing for industrialized nations. It will make inflation drop by one point and will increase by a quarter to growth of GDP. This would be a fine opportunity since we are trying to devise a strategy to revive our economies. In this way, two thousand million dollars could be saved for our balance of payments. On the other hand, if the moderate drop in the price of oil leads to a fall in interest rates — which would be quite normal and would also be the outcome of our economic objectives — this would paradoxically only bring a slight fall in prices to a number of countries which produce oil and which are heavily in debt. It is quite feasible to calculate sums involved for the various countries. Any dramatic drop in prices, however, would lead to financial tension, sizeable problems in the monetary and banking systems and would finally lead to a rise in interest rates because, since there are no countries with surplus resources, the beneficial effects would disappear. So it would not be a good thing for this to happen.

It is vital for the Community to take up a stance on this topic in the coming days so that we can see what we have to do by strengthening international cooperation. Why do we need to strengthen international cooperation? Because, while the Community is not without influence — as so rightly pointed out in the motion for a resolution — it cannot *all alone* take measures which no-one would take. *By itself* it could not decide to buy oil at price x when everyone else would be buying it at $x-5$. It is important, therefore, as part of their cooperation with industrialised countries, for developing countries also to draw some benefits from this situation and for a drop in the price of oil to not just enable them to pay back their debts more easily. These countries must also have a part in growth, in conjunction with producing countries if they so desire, and in conditions which will have to be determined. On Wednesday, the Commission laid stress on a very important point, namely that if — despite all our efforts — it were not possible to prevent a dramatic drop in the price, we would need to set up — for any future medium-term policy — what we have at the present time called a safety net, because at this stage it would be premature to be too precise. With the aid of this 'safety net', we would be in a position to control operations, which would be highly necessary since our economic systems cannot tolerate and absorb dramatic shocks, whether in one form or another.

To sum up — so far I have only talked about economics, and have hardly mentioned energy — it is quite obvious that if we allow this change in the oil situation to take place without doing anything and give up any

attempt to ease the stranglehold of oil on us, then — I say to you, with all the conviction I can muster — that today will herald a new cycle leading to the third oil crisis. It is as clear as day that if we sit back and take no more action, when the economy is revived and consumption goes up, the only people who will have the necessary flexibility to face this increase in demand will be the OPEC countries, which, quite naturally, will see to it that prices go up in a dramatic way, just as they did in the first and second oil crises. Frankly, I do not see how our economies could survive a third oil crisis. It is therefore in the interests of all of us that this does not happen and that, consequently, all the measures which feature in the motion for a resolution are indispensable if we do not wish to be coerced by others and want to achieve independence in oil by multiplying our own resources and methods of obtaining energy.

I have a further two points to make, Mr President. The first concerns our available resources and the coordination needed for Community activities. Mr Veronesi said — and I do not deny the truth of his remarks — that if we want to have a Community strategy, it must be a global one. We cannot afford to neglect research into energy saving by whatever means, such as better use of manure in agriculture and better use of energy resources in industry. We need a general policy on which Community instruments can rely. I believe that we are working towards one. We will get there by showing clearly, in the field of research, that all energy problems are linked, and by showing how things are done, whether as part of Euratom loans, or through boosting investment, or by using or paying interest which we want to direct towards diversification. What I am trying to say — and this is a leitmotiv in Mr Percheron's report — is that if the Community devises an eleventh policy alongside the ten policies of the Member States, we will only end up with eleven policies. We will never manage to have one common policy which would enable us to fix targets, monitor our progress towards them and to guarantee — by coordinating more efficiently the various efforts made — the overall synthesis needed if the resources which we need are to be used properly.

Mr Galland has given us a clear account of these resources. He has examined the matter closely in his capacity as rapporteur for the Committee on Energy and Research. I am aware — I think we can speak frankly among ourselves — of some doubts on the part of Parliament. Parliament is in favour of an energy policy and is helping the Commission to develop energy sources. Occasionally, however, at the time of budgetary consultations, Parliament's coherence is not really any better than that of the different Commission departments. I hope you do not mind my poking fun in this way. Mr Veronesi spoke about the Super Sara. If Parliament had approved the appropriations for Super Sara in the 1983 budget, we could have achieved far more than we did. I am telling you this

Davignon

now because I did not have an opportunity to say this at the last session of Parliament.

Let us turn to the problem of funds. Something highly significant happened in the supplementary budget in 1983. We now have at our disposal 610 million ECU on the budgetary lines of the Community energy policy. What are we going to do with these 610 million ECU in the 1984 budget? We must tackle this question as soon as we can because — as we have said in our speeches outlining the Commission's programme — it would be absurd to devote 610 million ECU of the supplementary budget which are supposed to be for energy policies and then not use them because political circumstances had changed in 1984.

As a matter of fact — I should like to reassure Mr Galland — Mr Thorn shares the opinion of the Commissioner responsible for energy or — perhaps I should say more politely — the Commissioner responsible for energy shares the opinion of his President . . .

(Laughter)

Mr President, I shall conclude by taking up the rapporteur's suggestion to hold a debate on energy and then to draw up a balance sheet on our progress allowing us to assess what is going well and what is not. Mr President, the Commission is in favour of this idea, but I think that the Committee on Energy should take a look at how we can mount such an operation. The question we must ask ourselves is as follows: what kind of a debate do we wish to have? With whom? On what and in order to achieve what? Those are the decisions we have to make now in order to apply the motion for a resolution, which — I hope — will be adopted by a large majority tomorrow. For what we need is to fix our priorities for our activities in 1984, which is a true political priority in that it is dictated by a number of objectives. In this way we will be able to measure what has been done and see whether the coal policy that we wish to promote will be able to overcome the difficulties it has run up against so far.

That is why, Mr Damette, a tax on imported coal would thwart the Community's coal policy, because those countries which do not produce coal are purely and simply not prepared to subsidize countries which do. It would be demanding too much of the spirit of solidarity not to realize this. What is more, it says in the motion for a resolution that every country — and this is one of the aims of any Community policy — ought to derive more advantages from Community policy than they would otherwise have. Solidarity by all means, but not just solidarity. By all means coal, but not just coal.

I hereby conclude, Mr President, and I apologize for the length of my remarks. But, as I said at the beginning, we are an intimate group meeting at an agreeable hour. This gives committed people, such as myself and those who are here tonight, the opportunity of

saying that without an energy strategy the Community is thwarting its own ambitions. It would be a good thing if, as from today, it could regain confidence in its ability to take action.

Mr Damette (COM). — *(FR)* Mr Davignon, you have just alluded to the problem of Article 2 of the ECSC Treaty, to which I referred a little while ago. To my knowledge, ECSC customs duties are national custom duties and are therefore part of national revenue. Consequently, there is no question of subsidizing the production of others. The proposal to make use of Article 72 of the ECSC Treaty would therefore not cause any distortions — in my opinion — among Member States and, on the contrary, would give those States who so desire the financial resources they need to implement a coal policy.

Mr Davignon, Vice-President of the Commission. — *(FR)* Mr Damette is quite correct. ECSC Treaty customs duties come under national revenue and not Community revenue. In the proposals we will be making on own resources, we will be asking for this inconsistency to be rectified. There is no reason why one customs duty should differ so much from all the other duties.

But really, that is just a detail. To go to the heart of the matter, the problem is that it is extremely hard to ask one State with no coal production to accept a customs duty which it does not need, when its industry relies on working with the cheapest possible coal. I do not feel therefore that this solution is appropriate and that is why it has not yet been used.

An appropriate solution would be to have a package of measures on coal enabling all Community Member States to have a Community coal production which gives them the necessary security. The market for coal must be developed. If we build up the coal market, you will find it easier to strike a balance between national producers and importers.

It is only by expanding this problem that it can be resolved. If we restrict it to a single issue, we will continue to find ourselves in the impasse which the Community has been experiencing for 15 years with regard to a coal policy. In Copenhagen, in December, there was a glimmer of hope, in the sense that the Member States seemed ready to reopen in a positive and general sense the debate on coal and to discuss it in terms of progress made. We will just have to wait and see whether this bears any fruit . . .

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

11. *Innovation and technology transfer*

President. — The next item is the report (Doc. 1-1313/82), drawn up by Mrs Theobald-Paoli on behalf of the Committee on Energy and Research, on the

proposal from the Commission to the Council (Doc. 1-502/82 — COM(82) 251 final) for a decision concerning a plan for the trans-national development of the supporting infrastructure for innovation and technology transfer.

Mr Bombard (S), *deputy rapporteur*. — (FR) Mr President, ladies and gentlemen, first of all I should like to thank the Chairman of the Committee on Energy, Mrs Walz, for very kindly agreeing to let me present this report on behalf of Mrs Theobald-Paoli, who is unable to be present because of her new local government commitment.

Why is such a plan needed? Although its title is, to say the least, esoteric, the Commission's plan deals with two well defined objectives which it is essential to achieve as soon as possible. Firstly, innovative ability in the Community must be strengthened and, secondly, all the regions of the Community must benefit from new technologies. If these two objectives are achieved, it will be a great deal easier to set up a common industrial policy, which is essential if we are to meet the challenge of the third industrial revolution which is under way outside the Community, not only in the United States and Japan but also in the newly industrialized countries. Indeed, the higher cost of raw materials and energy, in which Europe is sadly lacking, and higher wages, which enable our Community to remain a large area of relative prosperity but put us at a disadvantage as regards international competition, mean that we have no alternative but to win the battle of the industrial revolution by our creative ability and our know-how, in both of which we are far from lacking but which must be encouraged and put to better use.

Europe is not putting in enough effort here at the moment. To quote a single example, for every patent applied for in France, two are applied for in Britain and three in Germany. But the Member States which are the most successful in this respect should not think that they are home and dry since their number of patent applications compares with six in America and sixteen in Japan. In fact we have become the Community of little countries and run the risk of becoming the Community of mediocrity. It is only the Community dimension, the breaking down of divisions and the resulting dynamic boost which will permit a successful upswing.

For this reason we can only welcome the decision by the European Council meeting in Copenhagen to include innovation among the priority policies for the

coming months, and welcome the fact that the Commission has put forward this plan. If the plan before you is put into practice effectively and without delay, it will perhaps enable the Europe of the Ten to correct its course, which at present is heading towards decline.

Before the priorities which should be adopted in the Commission's plan are laid down, a brief diagnosis is called for. Various obstacles, which are particularly difficult in Europe owing to linguistic or administrative barriers, get in the way of industrial application and the circulation of new technologies. There are individual obstacles, particularly the fear of change, social obstacles associated with them and, above all, financial obstacles. These are obstacles which I would describe as 'passive' or 'positive'. But there is also another type of obstacle preventing new technologies from penetrating the entire production range of the Community: it is the reluctance of companies (including the major concerns) to make techniques available since they are afraid of being weakened through the widespread availability of processes in which they are expert or which they simply control.

Aid for innovation and technology transfer in the Community will particularly consist in an effort to cope with our industrial difficulties by bringing the producers and the users of technologies closer together. Innovation and technology transfer are the final phase in the process which leads from research to production. An effort must therefore be made by the producers of technology, especially by the research workers and laboratories of large concerns. They must try to get through to those users who are most remote from new technologies, i.e. small and medium-sized undertakings and especially local authorities, which are, as it were, irrigation channels of economic activity in the Member States. This is the way we can get the most out of research.

Once the priorities had been fixed, our Committee on Energy and Research levelled very broad criticism at the Commission's plan — not so much for its substance as for the way it proposes that action should be taken. As for the substance of the plan, it is extremely difficult to know in which area of the economy or of society priority action should be taken to assist innovation and technology transfer, nor even how action should be taken. No channel should be abandoned. Our Committee would not have wanted to make a choice any more than the Commission. But the Commission has proposed an impressive range of projects: thirty in all, which is out of all proportion to the funds available to carry them out, i.e. 15 million ECU over three years, which is miserably low in relation to the ambitious nature of the plan.

When the funds available are limited, it is no use scattering small credits over a large number of sectors to finance small-scale measures. Clear priorities must therefore be laid down solely in the interest of efficiency. This is what the European Commission has not

Bombard

done. Our Committee on Energy and Research has had to do it instead, by putting forward a number of specific suggestions listed in paragraphs 2 and 3 of the motion for a resolution: to make wide use of data processing, which is the only technique able to provide a satisfactory inventory of new technologies in Europe and to ensure their application and dissemination; to stimulate all innovative services, particularly aid granted to venture finance; to assist local authorities, since they are also important factors; lastly, to increase links between industry, research, universities, etc.

As for supervision of the measures, problems unfortunately remain owing to the vagueness of the proposed text. The least I could do was suggest a different title for the Commission's plan, and the following was accepted by my colleagues: 'Towards a European area for scientific, technical and social innovation and technology transfer', together with the more snappy subtitle EURINNOV. If the guarantees requested by our committee are obtained, this House should give a clear vote in favour of the Commission's proposals so that Europe can make a proper contribution to the third industrial revolution.

Mrs Walz (PPE), chairman of the Committee on Energy and Research. — (DE) Mr President, I do not intend to join in this verbal marathon, since we only have two minutes at our disposal as against a quarter of an hour for the Commissioners. I should like to thank Mrs Theobald-Paoli for her excellent report and Mr Bombard for the remarks he has just made, although I felt a little sorry for him having to rush through his speech so quickly.

We find the Commission's ideas good in themselves, although the whole thing should be somewhat more condensed. However, this is, after all, a first try and as such we regard it as a good thing. We will perhaps amend Mrs Theobald-Paoli's text a little but we thank both her and Mr Bombard for the excellent summing up.

President. — With reference to the amount of speaking time allowed to Commissioners and to Members, you know that under the Rules of Procedure I have no right to intervene with regard to Commissioners' speaking time.

Mr Seligman (ED). — With its vast resources of well-educated and trained scientists, the EEC should be in the vanguard of technical innovation and invention, but we are not, and there are several reasons for this.

First, the market is too fragmented, and no single national market is large enough to justify the expense of developing a major technological innovation. That is one reason why we are no good.

Secondly, technical transfer is hindered by national frontiers. That is why my group is so keen to have

freer collaboration across these frontiers, and the function of the Commission must be the cross-fertilization of ideas across frontiers and language barriers. Brussels, therefore, Mr Commissioner, should be the honey-bee which carries the pollen from one fruit-tree to the next.

We must, however, achieve the advantage of scale in the Community. In principle, we support the immediate priorities for the first three-year proposal, that is, assistance to local authorities in technology and aid in developing venture-capital associations, because the clearing banks are absolutely no good at sharing the risk with small companies who are trying to develop technology. That, I think, is a very good area for development.

But there are problems. First, we do not want this project to be dominated by advisory committees with special interests. The Commission does not need all these advisory committees. We certainly do not want one on this subject: that is why we have voted to eliminate Annex 2 and we have put in Amendment No 2 to Article 6. There should be only occasional consultation — no advisory committee.

Secondly, we are concerned that the Commission may get involved in a tangle of competitive interests. All invention is highly competitive, and secrecy is a factor in information exchange. I would like the Commissioner to answer this question: how does he overcome the competition problem, which was highlighted in the Linkohr report on research, when talking about confining ourselves to pre-commercial activity? So the competition problem is a real one.

The main object of the EURINNOV project is to make the life and work of an inventor much more effective and productive. The mainspring of an invention is to see the need in the market-place, whether it is a computer game to keep children and fathers out of mischief or whether it is a motor-car that talks to you in a seductive female voice. These are new inventions, and that is what we are talking about.

I hope, before I conclude, that the Commission will accept our support for this project. I am, however, a little worried about the lack of clarity, and I hope that some one in the Commission knows really what they want to do in detail.

Mr Veronesi (COM). — (IT) Mr President, we appreciate the desire of the Commission proposal to provide information, and can only support it.

We believe that some of the reservations expressed in the report submitted to us are relevant, and the Commission should take them into due consideration.

I agree with many of the observations made by Mrs Theobald-Paoli. Her analysis as rapporteur expresses

Veronesi

concepts and assessments which coincide with the ideas which I have personally nurtured for some time and which have also been recently officially expressed by my party.

I therefore warmly congratulate Mrs Theobald-Paoli on her intelligent commitment and for the clear way in which she has grasped the basic nature of the problem under examination. It will facilitate my task of preparing a report on basic research into car technology.

I therefore conclude by reconfirming our support for the motion.

Mr Narjes, Member of the Commission. — (DE) I should first of all like to thank the rapporteur in her absence as well as her deputy for the report and the introduction to this debate. I should also like to thank the committees involved for the intensive work they have done on our proposal. We have received numerous good suggestions, many of which we will adopt. Unfortunately, I do not have enough time to comment on everything since I have no wish to extend the speaking time allocated to the Commissioners still further. I must restrict myself to a few points.

First of all, I should like to prevent a general misunderstanding, i.e. that of regarding this proposal in isolation. It forms part of a general, more comprehensive policy and only a few days ago — on 8 February to be precise — the President of the Commission, Mr Thorn, announced three further specific activities, which I would ask you to consider in conjunction with our proposal. On the one hand, there is a proposal on the financing of innovation in small — and medium-sized undertakings — a proposal which is in line with Mr Seligman's wishes and we hope to be able to submit a proposal of this kind to the Council before this month is out. Tax relief on investment in connection with innovation is also being considered. This is a very delicate question, but we have got our teeth into it to a certain extent and hope to be able to produce some results. Finally, measures aimed at introducing the Community information-market policy are envisaged. This would also be breaking new ground, but we are ambitious and basically it is only our well-known shortage of staff which is preventing us submitting proposals on this matter at an even earlier date. In short, as we see it, innovation cannot take place to order, but it can be stimulated by means of a large number of individual measures which remove the barriers and obstacles standing in the way of the full exploitation of European potential and provide scope for the development of the creative forces in European industry, science and research rather than hampering them. However, all the groups have raised the objection — and rightly so to a certain extent: I can quite understand them because we have asked these questions ourselves — that we could be spreading ourselves too thinly with this proposal, i.e. that it does not set enough priorities.

We had to make a choice. The starting point differs substantially from one Member State to another and even within the individual Member States, let alone between them, existing information transfer or access systems vary substantially. Thus, we will have to link up with very different situations if we want to get anything at all of a transnational, cross-border system underway as regards innovation flow.

Obviously, there is also the question of secrecy and our working hypothesis is that it is up to us to bring interested firms and persons together and then to leave it to them to decide what confidential and less confidential information they wish to pass on in their contacts, so that we will be relieved of any duties involving censorship or, if you wish, protection of data. It will not rest at that, but this is our point of departure. However, we also know from past experience, for example in the field of chemistry, that if necessary we must very effectively ensure secrecy and are capable of doing so.

I might remind you that we have charge of a few thousand chemical formulas from the field of environmental protection and that so far there have been no leaks, i.e. none of the information has found its way into the hands of unauthorized persons.

Your Committee is quite right in thinking that the title of our communication is not particularly appealing and a little fussy, and we will take heed of paragraph 5, although this paragraph has the disadvantage that the proposed title sounds really dreadful in German. I would therefore like to find something which sounds vaguely attractive in all the languages such as: measures for promoting innovation and technology transfer in the European Community.

The Commission shares the view reflected in paragraph 6 that the plan proposed by the Commission should only represent an initial experiment. This is a somewhat pragmatic and very ambitious trial-and-error approach to a completely unfamiliar subject and we fully realize that it is a somewhat bold venture on our part. However, I think that the small team which will deal with this subject will be able to produce some results — at least enough to know in future what approach we should finally take. For the rest, experiments along similar lines are being carried out in virtually all the Member States and we in the Community will also be able to learn something from them. This brings me to a proposed amendment to the Commission proposal. The Commission can see no basic objections to adopting the priorities indicated in Amendments Nos 3 and 4.

We will also be glad to adopt Amendment No 1 concerning the mentioning of the Community budget, since this is in keeping with the institutional interplay of the Community. I should like to comment briefly on Amendment Nos 2 and 5, which deal with the same subject matter, so as to avoid any misunderstandings.

Narjes

It was not our intention to blur the institutional boundaries within the Community by, for example, transferring executive functions to a joint Council/Commission body which was accountable to no one and did not basically belong in the institutional and constitutional structure of the Community.

All we wanted was to set up a body which we could periodically consult with since, in view of the experimental nature of our operation and the various trial-and-error operations in the Member States, it is vital that we maintain very close contacts with those responsible in order to find out periodically what works and what does not, where there is a demand for information, where a potential source of information is lying idle, and what forms of contacts are the best.

In view of this, we have no problem in accepting Amendments Nos 2 and 5. Thus, the Commission feels it must attempt to establish the necessary dialogue in an appropriate form with those responsible regarding, among other things, the coordination with the Member States required in accordance with Chapter 3 of our infrastructure plan. Thus, we are not looking for a supervisory body, but a suitable dialogue partner, an information partner and in this respect we intend to be as pragmatic as possible and as circumspect as necessary so as to avoid even the slightest suggestion of institutional irregularity.

Mr Seligman (ED). — As he did not make it quite clear, can I ask the Commissioner if he has accepted Amendment No 2 or refused it?

Mr Narjes, Member of the Commission. — Yes, I have accepted it.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

12. Natural gas prices

President. — The next item is the report (Doc. 1-1317/82), drawn up by Mr Moreland on behalf of the Committee on Energy and Research, on the

proposal from the Commission to the Council (Doc. 1-758/82 — COM(82) 603 final) for a draft recommendation on the methods of setting natural gas prices and tariffs in the Community.

Mr Moreland (ED), rapporteur. — Mr President, the intention of the Commission's proposal is to establish common principles in the setting of tariffs for natural gas. This proposal will have widespread potential implications for the prices of gas to all domestic and

industrial users and implications for industrial competition. Members may ask why, if this is so important, a debate on gas prices comes at 10.30 on a Thursday evening and agricultural prices at prime time. Why, indeed? All I can say is that I hope the resolution on gas prices will not be in as many waste paper baskets as I suspect the resolution of this morning will be.

It is important to stress what the proposal from the Commission is *not* about. It is not about harmonizing gas prices, i.e., establishing the same natural-gas prices across the Community. Apart from any other consideration, the differing costs of distribution throughout the Community make such an idea quite impracticable. There has, however, been concern that differences in gas tariffs throughout the Community, particularly for specific industries, are not just a function of differing costs or of a different demand or market position. They vary because gas undertakings either adopt different principles when setting tariffs or even set them on an *ad hoc* basis for different industries. This may give undue advantages to industries in one Member State *vis-à-vis* the same industry in another Member State. The whole issue of the Dutch horticultural affair is perhaps the best-known example of this.

The Commission has produced a set of common principles, and in particular seeks to put an end to artificially low prices and achieve greater transparency in pricing. The Energy Committee welcomes the Commission's proposal, although it has one or two minor reservations.

First, as regards the Commission's advocacy of the two-part tariffs, it must be emphasized that such tariffs are designed to cover large fixed costs. For larger users, where the fixed element of costs is a small part of total costs, the two-part tariff is obviously unnecessary. Secondly, one of the main problem areas is that of contract sales, i.e., special contracts for certain users. The committee would amend the proposal to ensure that contracts are clearly included within the proposal. I recognize that the Commission is not deliberately ignoring these points, but we believe the text could be clearer.

The Commission proposal is not for a regulation or a directive. It is for a Council recommendation. I am never quite sure what a recommendation means precisely, but one assumes it would be strange if a Member State agreed to this in the Council and then operated its tariff structure differently. In any event, the Committee on Energy and Research believes that the Commission must produce regular reports as to extent to which the recommendation is being followed.

Mr President, I have stressed that this proposal could have an important effect on gas tariffs in the Community, particularly in removing the accusations of unfair competition due to special gas-price deals. However, I must end with a warning. No one should be under any illusion that this proposal will reverse the

Moreland

inevitable rise in gas prices. The marginal cost of gas supplies is rising. Indeed, France and Italy have problems arising from their agreements to purchase gas from Algeria at prices well above the current market price of gas. This situation underlines the need for a common approach in negotiations with third countries for gas and for a tariff structure that encourages the rational use of gas. In view of these considerations, I hope that Parliament will support the Committee on Energy's report.

Mr Beumer (PPE), *draftsman of an opinion for the Committee on Economic and Monetary Affairs*. — (NL) Mr President, I should like to make a few comments on behalf of the Economic and Monetary Committee. Obviously, in view of the impact of energy prices on economic and industrial developments, it is vital that we devote attention to this question and it is a good thing that the Council has stressed the desirability of a common policy in this area. The basic principles have been outlined, i.e. realistic prices, unity of the Community market and transparency. These are important starting points. It is also important, if we want realistic prices, to see to it that the costs are in fact borne by the consumer and are no longer artificially manipulated as they have been in the past. However, we see that in a fair number of Member States, energy prices are used for other purposes, such as social objectives, anti-inflation policy and even, in some cases, energy objectives. Nevertheless, the Economic and Monetary Committee takes the view that it would be in the interests of a unified Community market if there were no artificial price-manipulation and if Article 92 of the EEC Treaty were observed. We also agree, therefore, that the principle of two-part tariffs should be applied in the case of homogeneous consumer categories, provided this does not result in degression as consumption increases.

For the rest, Mr President, the Economic and Monetary Committee would point out that top priority should be given to three points, i.e. rational energy consumption, fair competition — I have already mentioned Article 92 — and hence the importance of the Community domestic market. We feel therefore that this Commission directive may be a modest but nevertheless important initial step. What we would like to see, however, is an analysis showing what effects this directive might have on the market as it stands, since it varies a great deal from one Member State to another.

Another important point is that when the Member States fix their tariffs they should give notification of this fact in good time with a view to avoiding investments being made in the various Member States without reference to Article 92 of the EEC Treaty, which can have unfortunate repercussions for some people, as has been the case in the Netherlands, for instance.

Finally, a few words about transparency, which is obviously of particular significance in the case of

major industrial contracts. We have noticed that this recommendation concerning natural gas speaks of prices and tariffs and we can perfectly well understand this, particularly in view of the nature of these contracts. However, the same is not true in the case of electricity and we feel that it should be. The best thing, as we see it, would be to develop a system of notification of average prices to more or less homogeneous categories of major industrial consumers so that a certain amount of monitoring would at any rate be possible. We would like to make these recommendations to the Commission.

Thus, all in all we regard this as a step in the right direction but feel that further study is required with a view to ascertaining whether or not certain improvements could be made.

IN THE CHAIR: MR LALOR

Vice-President

Mr Herman (PPE). — (FR) Mr President, during the three minutes at my disposal I am going to present three ideas.

The first relates to paragraph 3 which is, in my opinion, the most important passage and the one which it will be most difficult to have accepted by the Member States. This is where it says that prices which are artificially low in comparison with the market situation should be not applied. Now, as you know very well, the Member States do not apply this method, and they are anxious to be able to continue to practise discrimination because they have other objectives which, they believe, fit in well with the policy of reducing dependence on oil.

Obviously, this is a fine excuse, but it also makes it possible for investment to be diverted and for particularly harmful distortion of competition to exist. That is why I believe that a simple recommendation, i.e. without legal effect, will only be wasted effort.

The second idea which I wish to develop is how best to use, and exploit these gas resources. The price of natural gas must make it possible both to cover costs and to be in line with the price of alternative energy. Following ill-timed contracts, which were drawn up separately and in isolation, and negotiated separately by three or four Member States, prices are today increasingly distant from the prices of alternative sources of energy, to the extent that natural gas is today only being used in more and more specialized cases and is replaced by heavy fuel oil for all industrial heating. This seems strange to me, since total natural gas reserves are three or four times greater and the

Herman

reserves to consumption ratio is three or four times higher than for petrol. We are therefore far from having a price which ensures optimum utilization of these gas resources.

The third idea which I should like to present before my speaking time is up is the idea of transparency. Here it would seem that not much is being made of this requirement, since it is admissible for contracts not to be integrated in the tariffs. Major industrialists are told that gas prices must cover costs, but this allows all sorts of scheming, since there are many ways of calculating costs. The call for transparency should therefore be defined somewhat more precisely.

Mr Purvis (ED). — First of all, Mr President, I congratulate Mr Moreland on his report. It has struck me all the way through committee and up to this point that he has shown almost the wisdom of Solomon in trying to bring together all the various conflicting interests. I think he has every reason to hope for unanimous support tomorrow.

Competitiveness for our industry in world markets is something we are striving for, but in order to achieve that we must certainly be competitive at home. We must compete amongst ourselves on fair and equal terms. The relative costs of energy such as natural gas are a vital element in this. It isn't just the gas itself. It also concerns the relative cost of gas as against electricity and other fuels. In some parts of the Community, firms and individuals are switching from electricity to gas because of artificially contrived differences in cost, actively switching to finite, high-quality gas to heat their firesides. So two steps must be taken.

Firstly, we really do need a comprehensive Europe-wide gas grid drawing flexibly from the cheapest and most reliable source. This will help equate prices and give an assured diversity of sources. Secondly, as this report and proposal suggest, there must be a uniform structure of tariffs for all gas to all consumers, industrial and domestic alike.

However, a third and equally vital step is needed to obviate distortions of competitiveness. To procure a sound energy policy, a stable monetary policy is essential. Our ultimate objective must be a common European currency. It will help to solve this problem as much as it will help to solve many of our other problems such as MCAs and competition in industry in general. Without this, all such attempts to achieve fair competition will be little better than pious hopes. That would be a grave disservice to Mr Moreland's efforts, to Europe, to its industry and to its people.

Mr Veronesi (COM). — (IT) Mr President, I have no significant comments to make on this document. I only wish to acknowledge the validity of this initiative and to encourage the Commission to pursue this line of

action, eliminating the problem gradually as new situations and experiences present themselves.

I should also like to congratulate Mr Moreland on his concise, admirable and significant report and for the motion, which we shall vote for in its entirety.

Mr Davignon, Vice-President of the Commission. — (FR) Mr President, I can be very brief since the report presented by Mr Moreland supports the Commission proposals and he proposes amendments that I accept and which we will therefore submit during the Council discussions.

I will limit myself to two remarks.

Firstly: why should there be a recommendation, and not a document binding on the Member States? Simply because I am convinced that, in such a delicate matter, it is better to proceed step by step so as to highlight the different problems and identify cases where there is abuse and distortions.

The document which we are submitting provoked many reactions from industry, which thought that the Commission was trying to fix a single price in the European Community. As you so aptly put it, Mr Moreland, nothing could be further from our objective.

Secondly, for the reasons mentioned by Mr Beumer, we must bear in mind a number of factors. We are prepared to follow up the economic consequences as they are implemented.

Thirdly, I agree with Mr Herman. If one is in favour of deceit in this type of sector, the possibilities are quite considerable. A balance should be found. Mr Herman is well aware that getting lost in a forest of detail means that the technical discussions will prevent us completing the first stage.

If there is no first stage, there is no result. However, a first stage which is too precise would lead specialists to say that the terms were not good enough to allow risks to be taken. On the other hand, there is a danger of too little being done, with Parliament keeping a close eye on our work. If the Council arrives at an unsatisfactory result, we would have to account for that before Parliament. I believe that the dialogue between our institutions will allow us to find the ideal course, to increase progress in all significant fields, so as to build the structure which we have such difficulty in arriving at.

I would like to thank Parliament for its support.

President. — The debate is closed. The vote will be taken at the next voting-time.

13. *Rum*

President. — The next item is the report (Doc. 1-1179/82) by Mr Hopper, on behalf of the Committee on Economic and Monetary Affairs, on the

proposal from the Commission to the Council (Doc. 1-177/82 — COM(82) 153 final) for a decision authorizing the French Republic to apply in its overseas departments and in metropolitan France, in derogation from Article 95 of the Treaty, a reduced rate of the revenue duty imposed on the consumption of 'traditional' rum produced in those departments.

Mr Hopper (ED), rapporteur. — Mr President, in metropolitan France excise tax is charged on rum from certain French overseas departments at a much lower rate than on other spirits. Let me give some figures: per hectolitre of alcohol, rum is charged at FF 405; cognac is charged at FF 701.5 and whisky, gin and vodka are all charged at FF 765.5. In other words, cereal-based spirits are charged at a rate 50% above rum.

This massive fiscal discrimination is in conflict with the Treaty of Rome. Article 95 is quite specific:

No Member State shall impose directly or indirectly on the products of other Member States any internal taxation of any kind in excess of that imposed directly or indirectly on similar domestic products. Furthermore, no Member State shall impose on the products of other Member States any internal taxation of such a nature as to afford indirect protection to other products.

In order to legalize these arrangements, the Commission has proposed that the Council of Ministers should issue a decision incorporating a derogation in favour of the French Republic. The justification which we have been given is that this form of discrimination assists the economic and social development of the French overseas departments in question. We are told that their level of prosperity depends upon their export of rum and, by implication, that their exports would be damaged by the removal of this positive discrimination.

The question before the House is whether we should approve this proposal. I believe the answer is no, and I shall give three reasons.

First of all, we have been given no information about the economies of the French overseas departments in question. It may well be that these economies are entirely dependent on rum, but I do not think that this Parliament should be asked to take the question entirely on trust.

Secondly, France has practised this illegal form of discrimination for 22 years. This is bad enough. But the

French Republic has also totally disregarded a judgment handed down by the European Court of Justice in February 1980 which condemned other forms of fiscal discrimination practised by the French Republic with regard to the sale of spirits. I have always believed, Mr President, that virtue should be rewarded. I see no reason whatsoever why vice should be rewarded.

Thirdly, and most importantly, if you discriminate for, you also discriminate against. The discrimination in favour of rum from certain French overseas departments is also a discrimination against rum from certain ACP countries. It is also discrimination against the producers of whisky, brandy and gin within the European Community. We are exporting unemployment from Martinique to Trinidad, and from Guadeloupe to the Hebridian island of Islay, where there is high unemployment and where a number of whisky distilleries have just closed.

A number of amendments have been moved to my report. I should like to refer to Numbers 6 and 3. Considering that one is Socialist and the other is Gaullist, they have a remarkable similarity. Indeed, they are virtually identical.

(Interruption)

One suspects that a powerful lobby lies behind both. The essence of these amendments is that consideration of this subject should be postponed until there has been general agreement on the harmonization of alcohol taxation within the European Community.

It so happens that I am the Parliament's rapporteur also on this more general subject.

(Interruption. The President urged the speaker to conclude)

It may be that my report will be so lucid, eloquent and constructive that it will achieve the greater goal in a short period of time, but I am less sanguine. Mr President, if we wait until there is agreement on this wider topic, I fear we shall wait for ever.

We talk a great deal in this Parliament about removing fiscal barriers. It is often said that it is just talk; indeed, that we are just a talking-shop. Let us strike a blow for the common market; let us give an adverse report on the Commission's proposal!

Mrs Desouches (S). — (FR) Mr President, I will not reply to Mr Hopper on questions of vice and virtue, although I consider his remarks rather exaggerated. However, I would like to make a certain number of observations on the motion. First of all, the departure from Article 95 of the Treaty does not pose any legal problem. I believe that this point is explained quite clearly in the justification of the proposal for a Coun-

Desouches

cil decision. And although it is true that the Court of Justice decided in the Hansen case — I am only repeating what is in the text — that after two years the Treaty applied fully to the DOMs, the Court also decided that 'In view of the geographical, economic and social situation peculiar to these departments, the Council would have the right to decide on measures which suited to the specific needs of these areas of French territory'.

With regard to the situation in the DOMs, the Commission perhaps thought that the European Members of Parliament, who know many things, were acquainted with the situation in the DOMs. If it is really necessary to provide a few explanations, I will do so with pleasure. I will simply remind you that, in the DOMs — and in particular those in question — 18% of the active population is employed in agriculture. Some 40 000 people live from rum in both Guadeloupe and Martinique. Rum takes second place in Martinique's exports, and third place in Guadeloupe's exports. As for the economic and social situation, as you are well aware, it bears no comparison with that of other regions of the Community. I will only quote one figure: the GDP per inhabitant is, FF 15 600 in Guadeloupe, and FF 22 600 in Martinique, as against an average of FF 45 000 for the Community.

The particular tax system requested is not at all exorbitant. All it does is maintain the status quo. Furthermore, contrary to what is indicated in the report, there are tax systems which favour certain alcohol products in various countries of the Community, and the legitimacy of these practices is recognized by the Court of Justice. Moreover, the proposed tax system is limited to a quota corresponding to the average consumption during the last 10 years in metropolitan France. It will therefore not affect the balance of markets in favour of this product. I might add that this particular tax system is the only measure suited to dealing with the problem of rum production in the DOMs. There is no question of applying to these peoples a direct aid system, which would seem like social welfare.

For my part, Mr President, I agree with the proposal for a Council Decision, but disagree with the report.

Mr Wedekind (PPE). — (DE) Mr President, ladies and gentlemen, I must confess that I find the report much better than what the Commission proposes and in that respect it is my unhappy lot to contradict somewhat the honourable lady on the left.

What are we really talking about here? Are we talking about rum and are we talking about good or bad rum? Here you have a couple of *départements* which are supposed to be part of Europe and which apparently produce a brand of rum which can be sold only when it is taxed at a low level. So is it good rum or bad rum? That is the question here. If the rum is really good it ought to be marketable and there would be no need to

tax it at a low level. If on the other hand the rum is bad we should slap double the tax on it, because I really think it is out of the question that bad rum should be taxed at a more favourable rate even though better rum could be produced. It may be that these islands are in a position whereby they cannot produce good rum on account of their structural conditions. What we should do then is to provide structural aid so that they can produce good rum which is marketable. I go along with that idea but I do not go along with the idea of giving special treatment to a brand of rum if it is worse than others. We are dealing here with a fundamental problem as far as alcohol is concerned in this Community of ours. Should bad alcohol be more leniently taxed than good alcohol? If you ask me, taxation should be lower on good alcoholic spirits and higher on bad, in order to encourage better quality. This is not tackled at all. There is no mention at all of what the real problem of these islands is, of the problem regarding this particular export. There is no thought of the problem of what happens if you tax the products of these islands in exactly the same way as other products. There is no consideration given to any of this. The fact of the matter is that here we have a breach of Community law by France, and we are supposed to accept it and it is even suggested that we put up with it for another two years. This might be possible for two years but then, please, can we have some real facts? We do not get any facts either from the Commission or in this report. We get criticism in this report, and I think it is justified.

Mrs Le Roux (COM). — (FR) Mr President, we have just had a debate this very day on the financial interests of Members. On reading Mr Hopper's report, one question immediately comes to mind: what financial interests is he protecting to provoke this attack on rum production in the DOMs? Since the virtuous Mr Hopper, and Mr Wedekind, seem unaware of the economic and social situation in the DOMs I believe it would be appropriate to add my comments to those of Mrs Desouches in order to enlighten them.

The production of rum from sugar-cane plays a vital role in the economy of these departments. You have already heard that rum takes second place in Martinique's exports, and third place in Guadeloupe's exports. 40 000 people live directly from rum in these two departments. This proposal would — and I am sure that Mr Hopper is well aware of this — cause a rapid decline in this production, would benefit the alcohol lobbies which dominate the world market, and would increase the considerable number of unemployed in these departments.

Does Mr Hopper, using taxation as a cover, wish to export to the DOMs the unemployment which is raging in his own country? He is offended by the derogation from Article 95. However, the British Conservatives know something about derogations. Before meddling in the affairs of the DOMs, put your own

Le Roux

house in order. Special taxation system for rum from the DOMs is in perfect accordance with Article 227 of the Treaty. There are, moreover, very similar systems for other alcoholic products, to mention only the 90 million ECU levied by Britain on its whisky.

This campaign against the DOM rum is not an isolated attack. The ACP-EEC Joint Committee has already experienced such attacks, since some wish to consider rum as an industrial product which any Member State could manufacture from molasses bought cheaply on the world market. It was to counter this attack that I, together with Mr Maffre-Baugé tabled an amendment which was approved by the Committee on Agriculture and which simply calls for the present tax system to be maintained and extended. And I am certain that there will be some — perhaps not you Mr Hooper — who will adopt the amendment in the interests of the peoples of the DOMs.

Mr Hopper (ED), rapporteur. — Mr President, could I point out to the last speaker that I am the rapporteur of the Committee on Economic and Monetary Affairs. This is not my private report, and the committee passed the report unanimously. Secondly, my name is Hopper and not Hooper.

(Laughter)

President. — Just a technical point, Mr Hopper. There was one abstention.

Mr Deleau (DEP). — *(FR)* Mr President, ladies and gentlemen, I will not congratulate the rapporteur on his presentation. I note that he has gone beyond the terms of the report and beyond the opinions of the majority of the Committee on Economic and Monetary Affairs.

I would like to say to Mr Wedekind that he has probably never appreciated what is called real rum — well, if you like rum, this didn't show in your speech — but I propose to have you taste some, and you will then change your mind. However, it should surprise no one in this House that another French representative should take the floor after Mrs Desouches and Mrs Le Roux.

Mr Hopper stated that he had not received any information on the economic situation of the French overseas departments in question. It would have been a simple matter to consult the relevant statistics, since these overseas departments belong to the Community. For the benefit of the House, I shall repeat the figures.

In these departments, 18% of the active population is employed in agriculture, as against 8% in Metropolitan France; 40 000 people live from rum production in both Guadeloupe and Martinique, and these two departments have 47 000 people looking for work.

These figures — which indicate, ladies and gentlemen, that the economic situation in these departments is already precarious — can be easily verified.

I would also remind you that France, through its overseas departments, is the sole Community rum producer, and that the risks to this production came from several sources, notably the increasing yearly quotas of rum from the opening of the common market in rum to the ACP countries, the possibility of selling rum spirits manufactured with 95% spirits distilled from apples and 5% rum — I hope, for your sake, Mr Wedekind, that this is not the rum that you like — and finally, the possibility of distilling molasses imported from third countries.

These issues have been dealt with in depth and very competently by Mr Victor Sablé, an elected representative of our overseas departments, as well as by Mr Jean-José Clément, a former Member of this House. Victor Sablé did not omit to ask for a legal definition of rum which would allow this overseas product to meet the competition from other spirits in the Community, and to state that the description 'rum' should be used only for spirits manufactured from sugar cane at the places of production. It is important for the Community to retain this definition. We cannot let rum be considered as an industrial product. It is and remains an agricultural product which warrants special tax arrangements — which are in fact not at all exorbitant, but merely maintain the present situation, as Mrs Desouches said. Moreover, there are arrangements which favour certain spirits in various Member States, and the legitimacy of these practices has been recognized by the Court of Justice.

I would refer Mr Hopper to a judgment from the Court of Justice on 'whisky — cognac' which provides this explanation and confirms my statement...

Mr Wedekind (PPE). — *(FR)* ... 'Rum and rum', not 'whisky and cognac'! There is a difference between rum and rum.

Mr Deleau (DEP). — *(FR)* Well, I get the impression that you have never been aware of this difference, and that you are a poor judge of rum — if you drink it at all, as you stated earlier.

We have tabled four amendments to improve the report presented by Mr Hopper on behalf of the Committee on Economic and Monetary Affairs. We would agree to a provision for a review of the tax arrangements after a period of five years as established by the Commission. However, it would be desirable not to lay down a fixed period for these arrangements, until there is an acceptable alternative solution. The economic balance of our overseas departments and the maintenance of employment in agriculture is at stake. These are considerations, ladies and gentlemen, which

Deleau

should not be ignored during the vote on these amendments and the final report.

Finally, I would inform Mr Wedekind that I intend to bring him some real rum from sugar cane, and not a substitute molasses product, in the very near future.

Mr Enright (S). — Mr President, I am extremely disappointed that so far nobody has talked about rum from a real development viewpoint, which means not just talking about Martinique and Guadeloupe, but about the whole of the Caribbean. For the Caribbean, even though it may account for 10% of their foreign currency earnings, it is extremely important. Therefore, I for one am concerned about the entry of rum from the whole of the Caribbean into France, where it has considerable difficulties at the moment.

I can well understand the attitude of the French Government. There are parts of our country which have difficulties; in West Yorkshire we have considerable difficulties with regard to textiles. But I still feel that in terms of development we cannot exclude countries like Guyana in particular, who cannot get their rum into the European Community. I certainly will pledge to do all I can to stop the quota system as regards the United Kingdom, and I hope that my French colleagues, in whom I have a great deal of confidence, will join with me in a crusade of that kind. Guyana at the moment is having immense difficulties because of the world price of bauxite, the world price of rice, the world price of cane sugar as opposed to beet sugar.

We have here a considerable responsibility as a European Community. I therefore appeal to all Members in this House to think about rum in a particular way — that is to say, from the viewpoint of development — and to bear in mind that they are able to produce very good rum. I say to Mr Wedekind that the rum from Guyana, the rum from Trinidad, the rum from Jamaica is extremely good. He and some of his fellow Germans do in fact drink it, and Germany has the lowest tax on rum in the Community, which is found to be extremely helpful. The United Kingdom places the fewest barriers on the import of rum, and I do think that we should get together, work out a sensible definition of rum, which is not an industrial product — I agree with Madam Le Roux on that — and see how we can help the African, Caribbean and Pacific countries in this respect.

Mr Pearce (ED). — Mr President, it is very rare in the proceedings of this House that I am able to record the fact that I agree with Mr Enright. On this particular occasion, I do, I think he is right to raise the development aspect. Thank you for your tolerance.

Mr Ortoli, Vice-President of the Commission. — (FR) Mr President, the French overseas departments

and metropolitan France are the main consumers of so-called traditional rum. It has been pointed out that this rum is of agricultural origin, and I believe that there are no doubts as to its quality. It is usually produced at relatively high cost by distilleries associated with sugar cane production.

The Commission is faced with this particular problem under discussion today, not after thirty years of difficulties but as of from 22 October 1978, which was the date of the Hanssen report, before which it was considered by the Council and the Commission that, in the absence of the Council decision, a provision in the treaty could not be implicitly extended to the overseas departments. The Commission was of the opinion that the markets for the overseas departments' products would be seriously compromised if France was not authorized to temporarily maintain the existing tax advantages. These tax advantages are of vital importance for the economic and social development of the French overseas departments covered by Article 227 of the Treaty.

Nevertheless, given that the application of different excise duties is not compatible with Article 95 of the Treaty, France is asking for a special derogation from this Article, so that it can no longer be considered to be infringing the Treaty, as stated in the judgment of the Court of Justice of the European Communities. Given the present situation of the Community's spirits market, the Commission has proposed that the derogation be limited, both in time and in quantity.

In his report, Mr Hopper admits that it is necessary to maintain existing tax advantages for the time being. At least, these are the conclusions of the resolution which I read. He recommends that the Commission proposal be adopted for a limited period, with the restrictions which it lays down with regard to quantity and scope.

The Commission will examine whether the derogation from Article 95 to be granted to France should be for a shorter time if possible — and I promise you that it will do this with all due speed. The Commission will submit a report and, if possible, proposals before the end of the year.

Mr Enright (S). — I would like to ask when I shall be getting — as Mr Pisani promised I should in Kingston, Jamaica — a ruling about the definition of rum, or at least the first thoughts of the Commission on a definition of rum, because this is extremely important, both for the departments and for the ACP countries.

President. — This is in reply to a question the Member put to Mr Pisani in Jamaica.

Mr Enright (S). — Yes, Mr President, but it is also a general question that I raised in my speech. I well understand if the Commissioner is not briefed on it but

Enright

will give me an answer later. I should be quite happy about that.

Mr Ortoli, Vice-President of the Commission. — (FR) I completely understand your question, but you will appreciate that I am not Mr Pisani and that I was not in Kingston. I am therefore not completely informed of this conversation.

Having said this, the debate which has just taken place has shown that this is indeed a complicated matter. There are a certain number of problems, in particular the one you have mentioned. If there are problems related to definition, let us examine them and make proposals. It is in our interests, when discussing this type of issue, to have figures at our disposal. I do not believe that the protocol on ACP rum has been violated in any way whatsoever.

Mr Enright (S). — Mr President, I thank the Commissioner very much for that answer and I look forward in due course to a considered answer, which I would far rather have than a slick answer now.

President. — The debate is closed. The vote will be taken at the next voting-time.

14. *Transfrontier transport policy*

President. — The next item is the report (Doc. 1-1205/82) by Mrs von Alemann, on behalf of the Committee on Transport, on transfrontier transport policy in frontier regions, particularly in Community internal frontier regions such as the Rhein-Maas-Nord region and EUREGIO.

Mr Seefeld (S), deputy rapporteur. — (DE) Mr President, ladies and gentlemen, the rapporteur, Mrs von Alemann, has unfortunately had to leave and, as Chairman of the Committee, I have taken over the task of presenting her report. The regions on either side of the internal frontiers of the Community occupy a key position as regards European intergration. They form, as it were, the seams where in the past things started to come apart, while nowadays they could demonstrate the capacity and willingness of the Community for integration. They should be integration zones but, I ask you, are they in fact?

Things which are often mere European theory for persons living in more central areas are everyday experiences for the inhabitants of the frontier regions. He has to suffer from the consequences of the border and therefore wants to see the source of his problems eliminated. However, the readiness of the citizens and local authorities to seek transfrontier solutions on a

joint basis does not imply that they wish to eliminate borders or abolish the sovereignty of the national states. The intention is simply to erase the scars of history and permit closer contacts and improved cooperation between the populations on either side of the borders. Transfrontier regions provide a model for the future organization of Europe.

They harbour ideals and principles which must be preserved and further developed as our common historical heritage and as basic elements for the furtherance of human coexistence and the forging of close links between the peoples of Europe.

However, the border regions continue to be encumbered by red tape, lack of imagination, inflexibility and misplanning, although it is not the populations in the border regions who insist, for example, that a motorway should finish in the middle of a field at the border. It is the lack of political will to turn fine words into practical European policy, and unfortunately even in 1983, planning unfortunately continues to stop at the borders of the Member States and the transport infrastructure policy, which the Committee on Transport are still repeatedly calling for, is lacking.

In this report we have attempted to show, on the basis of two border regions within the Community, how badly the seams I have spoken about hang together. The two regions in question are on the one hand the Rhein-Maas-Nord region, which should not be confused with Euregio Maas-Rhein. Obviously, both the latter and a number of other border regions might well have also been mentioned, but this would have resulted in the report being overloaded.

The other region in question is Euregio, which is discussed from the point of view of transport problems. At any rate, the problems of road transport, railways and inland waterways have been studied. Our rapporteur visited both of the organizations mentioned who provided some welcome assistance and important hints for drawing up the report, for which I am very grateful.

The excellent studies of the transport systems in these two border regions of the Community have shown that the transfrontier routes are still in need of development and improvement, and the same is true of the infrastructure. As we see it, the Commission should make an initial step in this direction by drawing up a survey of the main transport routes which are most in need of improvement in all the regions on either side of internal borders and the Council of Ministers must finally get round to adopting the regulation on transport infrastructure. We take the view that road construction planning must be based on the principle that the large-scale transport links in border regions should not be inferior to those more centrally placed in a particular Member State. We are in favour of development of an integrated public passenger transport system in border regions and think that drawing

Seefeld

up joint time-tables could be an initial step in this direction. We are also in favour of opening transfrontier cycle- and footpaths.

It is the people living at the borders of our Community who are particularly aware of whether any progress is being made, whether anything is happening and how it is happening, or whether people just make speeches and declarations of intent. We wished, with our report, to indicate the right approach to take and I urge you, on behalf of the rapporteur, Mrs von Alemann, to adopt this report.

Mr Albers (S). — (NL) Mr President, my Group has always taken a very special interest in cooperation in border regions. It was an erstwhile member of my Group, Mr Gerlach, who produced a very important report — one which received the full support of this House — on the need to set up a legal framework for these regions.

Now, many years on, we are bound to say that there are still plenty of shortcomings in the infrastructure of the regions in question. There are important roadlinks which have not come into being, and there are gaps in our system of canals and inland waterways. There are railway networks which are not connected up, and there are shortcomings in the inter-city rail network. For all these reasons, we shall be giving our wholehearted support to the report and the attached motion for a resolution. We take the view that, if we are really concerned about fostering integration within the European Community, it is of the utmost importance that the people living in the border regions should be able to say after a period of time that changes had come about thanks to the European Community, alleviating the problems of life in such regions. I am thinking here of course of the job market, health care, fire services, and all the other things of relevance to border regions. Mr President, the rapporteur asks in paragraph 6 of her motion for a resolution whether the Community too would be ratifying a Council of Europe convention, and whether it was legally possible. I hope that the Commission will give us a clear answer on this point, because an amendment has been tabled seeking to delete paragraph 6 from the motion for a resolution. Before we decide how to vote, I think it is extremely important to know what the Commission feels on this point. We are aware of the problems involved in the ratification procedure, affecting third countries too, which is the case here. We should also greatly appreciate an answer to the question which was put in the Gerlach Report too, referring to the creation of a legal framework covering these regions.

Mr Notenboom (PPE). — (NL) Mr President, on behalf of the Group of the European People's Party, I should like to thank the rapporteur and the Chairman of the Committee on Transport, Mr Seefeld, for this report, which we very much welcome. For one thing,

it takes into account the motion for a resolution tabled by Mr van Aerssen, who has unfortunately been ill for several months. For another, it places the European ideal in the forefront, and highlights our aspirations with regard to what I might term 'Europa Minor', that aspect of Europe where people are closest to all the obstacles, much closer than in our major cities. I should like to express my appreciation to the Committee on Transport for this report on behalf — *inter alia* — of Mr van Aerssen who, as I said just now, is ill. He it was who tabled the original motion for a resolution, and he — like me — is a resident of the Rhine-Maas region. I am also, of course, speaking on behalf of the people who live there. I do not have very much to add to what Mr Seefeld said so expertly.

The Member States have a tendency to regard frontiers as termini, whereas the European Parliament has a duty to regard those areas as central, as backward areas, and in this respect I am merely reiterating what Mr Seefeld has already said. I am best qualified to pass judgement on the Rhine-Maas border region, which is where my home is. The three demands spelt out are wise, cautious and very realistic. The people of that region are indeed at a disadvantage. It is unfortunate, but only too understandable, that the Rhine-Maas Euregio — the land that knows no bounds, the area covering Maastricht, Aachen and Hasselt — has never before been discussed in this House. This omission has nothing to do with a deliberate exclusion: it is simply a matter of coincidence. We hope that the Committee on Transport will find an opportunity to take another close look at these and the transport restrictions. This is a first step towards taking a genuinely European look at road, rail and water transport restrictions, and as such deserves our praise and thanks. I know for sure that the authorities and people in my home area are very pleased that the European Parliament has drawn up a report on this issue, and my Group and I are pleased that we now have a chance to discuss the matter.

I should like to conclude on a point mentioned by Mr Albers concerning the amendment tabled by Mrs Boot. Her amendment, tabled on behalf of our Group, seeks to prevent this report, which is mainly concerned with transport matters, from prejudicing a report to be drawn up by the Committee on Regional Policy and Regional Planning which is due to take a detailed look at the whole legal position of border regions and submit proposals thereon. I am confident that Mr Seefeld will be able to ensure tomorrow that a sensible decision is taken on this matter.

Mr Gendebien (CDI). — (FR) Mr President, I also believe that Mrs von Alemann's report is important. Why? Because, instead of talking about the theory of regional Europe it discusses the practice of regional Europe, which is the true Europe. I should therefore like to congratulate the Committee on Transport for this report.

Gendebien

The problem of border regions are indeed particularly illustrative. These regions are at the forefront of intra-Community competition. They suffer from duplications of investment and above all lack of coordination in development, variations in the rate of exchange, lack of harmonization of national legislations and regional planning and infrastructure policies. Is it common knowledge that the frontier regions of Europe cover approximately 3 000 kilometers of frontiers out of 200 000 square kilometers and comprise almost 40 million inhabitants? Frequently they are heavily dependent on industry and particularly on sectors in decline such as coal and steel.

That is why we must take a particular interest in the regions and approve Mrs von Alemann's report in particular. I do feel, however, that the geographical size of Euregio should be made more precise. Surely no one will be surprised if I say that it ought to stretch to the south and to include — quite obviously — the Maastricht-Liège-Aix-la-Chapelle triangle. I particularly want to stress the desire on the part of Liège and its hinterland to be associated with a true Euregio. Just recently the 'Grand Liège' representative association made a formal application to this effect and pressed the regional government of Wallonia to speed up the procedures in order to make this membership possible. Personally, I approve wholeheartedly this will to cooperate and to be open.

May I conclude, ladies and gentlemen, with the hope that the Commission will deal directly with frontier Euregios and that it will conclude programme contracts with them, programme contracts which would keep Community finance to a rational low for certain transport infrastructure projects or other projects to develop transfrontier regions. It is evident that that would be an effective method for allowing the necessary interpenetration of our countries to take place. Finally, and this is my last word, these programme contracts should fit in with a European regional development plan because without this — I am sure you agree — there can be no true common policy for transport nor any true common policy to benefit frontier regions.

Mr Contogeorgis, Member of the Commission. — (GR) Mr President, I really believe that Mrs Von Alemann's excellent report is worthy of congratulation, since it analyses in detail the communications problems which are arising in important areas of the Community, and particularly at the very heart of Europe. I am in total agreement with Mr Seefeld's views on the need to abolish the restrictions and difficulties associated with transfrontier communications and that, in order to achieve this, apart from our European awareness that at some time or other these restrictions must be lifted, there is a need to plan the necessary works.

Mrs Von Alemann has, very discretely, included in the motion several conclusions from the explanatory

memorandum on this topic. Of course, we all know that budgetary resources are not limitless and that there is a series of priorities. I believe that facilitating the abolition of the restrictions by constructing appropriate communication structures has a certain priority amongst the works of Community interest. Furthermore, this was the direction in which the Commission was moving in the medium-term infrastructure programme which it presented last December to the Council of Ministers and Parliament.

I can inform you, Mr Seefeld, that the Commission will shortly be starting a special study intended to answer the main concerns expressed in Mrs Von Alemann's report. This will involve examining the importance of certain important plans relating to regions with which the report is concerned and, in particular, their effects on these regions. I reckon that the report will be completed during the first quarter of 1984 and, naturally, the appropriate departments and authorities in the frontier regions will be contacted, as Mr Notenboom proposed. In this report the Commission aims to include other regions with similar problems.

As concerns the point in paragraph 6 referred to by Mr Albers, I would like to say that great caution is needed in creating an organization or organizations empowered to make transfrontier decisions, since this could raise constitutional problems in some Member States. The Commission recognizes the need to ratify the agreement of the Council of Europe relating to this issue as soon as possible. If the Member States ratify this agreement, nearly all the problems will be solved, and it would certainly be a step in the right direction.

President. — The debate is closed. The vote will be taken at the next voting time.

15. Common transport policy (ports)

President. — The next item is the report (Doc. 1-844/82), drawn up by Mr Carossino on behalf of the Committee on Transport, on the role of ports in the common transport policy.

The oral question with debate (Doc. 1-1279/82) by Miss Hooper and others to the Commission is included in the debate:

Subject: The special needs of ports in decline in relation to a Common Ports Policy

Bearing in mind the importance of the role of ports in the Common Transport Policy, the Commission is asked:

1. if it has completed any survey of port changes throughout the Community taking into

President

account which ports receive subsidies for conservancy costs;

2. to what extent the effect on ports of changing trade patterns resulting from EEC membership have been taken into account in the co-ordination of European Community policies;
3. if it agrees that, in the case of a port such as the port of Liverpool which provides the basis of the economy of a large area, the people affected by the decline of that port industry should be assisted in the same way as those affected by the decline of the textile, the steel or the shipbuilding industries?

Mr Carossino (COM), rapporteur. — (IT) Mr President, this own-initiative report switches the attention of the European Parliament and the Community institutions back to the subject of policy.

The first observation to be made is that, several years after the resolution adopted by the European Parliament on 17 April 1972, no serious or tangible progress has been made.

It is true that, in the meanwhile, some very interesting investigations and studies have been completed by the Commission, but there has never been any practical follow-up to these. Instead, attempts have been made to justify this inertia by maintaining that seven years of surveys and close collaboration with the main Community ports showed that there was no need for a specific Community policy on ports.

The European Parliament Committee on Transport does not agree with these conclusions and, although it is perfectly aware of the complexity and difficulties involved in developing a common ports policy, it nevertheless believes it is necessary to overcome this inertia as soon as possible, and this report gives practical and useful suggestions for achieving positive results.

Since concern has been expressed in various quarters that intervention by the Community could compromise the autonomy enjoyed by some important European ports, I should like to once more make it clear that these proposals are not directed against ports but have been submitted with the objective of creating the best conditions for the development of their autonomy and their initiative.

Taking as a starting point the fact that ports are an essential link in the transport chain — which is increasingly becoming one single organic unit — an attempt was made to define the role of the ports in the common transport policy.

In the written report submitted to Parliament, various aspects of the question were dealt with. The first con-

cerns an assessment of the effects on competition between ports of the measures which will be adopted under the common transport policy and the need to make allowances for the interests and requirements of the ports.

Other points relate to the a Community infrastructure programme, placing special emphasis on the need to improve links with the Mediterranean ports, since these have a strategic role to play in the Community transport system and have the most serious capacity problems with land and port infrastructure.

Finally, other aspects relate to shipping and all the specific problems involved in the organization of port facilities, work, safety and distortion of competition which could arise through various factors.

Ladies and gentlemen, that was a brief summary of the observations to which I wished to draw your attention, together with the conclusions reached by the Committee on Transport. I hope that the Parliament will support these proposals as they represent an important — or even decisive — chapter in the Common Transport Policy, which is a policy which must assure a rapid, economic and sophisticated system of movement — of goods and people — so as to render the European economy more competitive in world trade and which may, at the same time, be of considerable assistance in the fight against unemployment which constitutes the most serious problem with which the Community is faced today.

Mr Albers (S). — (NL) Mr President, the report we are debating today is rightly entitled 'the role of ports in the common transport policy'. If we were to delve into the question of why so little has happened regarding ports policy since the report tabled by my colleague Mr Seefeld in 1972, we would be bound to conclude that the common transport policy has simply failed to get off the ground. As a result, Parliament has taken its case to the European Court of Justice to highlight exactly where the fault lies and to publicize the fact that the Council has failed to take a decision on the proposals made with a view to making a common transport policy possible. It therefore seems to me that the working party on seaports, which was set up as a result of the report in 1972, was right to some extent.

What the ports authorities have in fact said — admittedly adopting different approaches — is that alright, the European Parliament is calling for a common ports policy, but let us first of all comply with the articles which are clearly set out in the Treaty, and which are supposed to give us a common transport policy. We have gone along with this, and have read various reports on meetings held between the ports authorities, weighing up the pros and cons of a common policy. Certain conclusions have emerged from all this. Some authorities have come out in favour of the for-

Albers

mulation of certain rules of conduct on the subject, referring to non-discrimination, free competition, profitability, adequate storage capacity and healthy working conditions. Other authorities, on the other hand, have resolutely set their faces against any form of interference, and were very wary of a *dirigiste* approach from Brussels.

After all this, the committee then came along with a report saying that there was no need for a specific ports policy within the European Community, which of course turned the whole thing upside down. The view my Group takes is that, because we have no common transport policy, the ports authorities were perhaps right in saying that we should first of all have a transport policy and then discuss the specific question of ports. The Commission too could have come to the same conclusion and should in any case have put far more pressure on the Council to get it to take a decision — even to the point of threatening to resign. After all, the fact is that, if a Commission is there to develop a certain policy on the part of the European Community, you cannot simply ditch the whole thing if the relevant articles of the Treaty — which are crystal clear on the subject of transport policy — are simply ignored by the Council.

So what is the upshot of all this? Changes have been made in the directorate-general responsible for transport policy, and officials who were working on the subject were told not to bother about ports any longer. And yet the fact is that there is still over-investment going on in the European Community. Enormous sums of money are still being spent on port installations which, strictly speaking, are surplus to requirements. Funds are also forthcoming from the European Regional Fund and from the European Investment Bank, and for that reason it is a good thing that the Carossino Report put the case for a planned approach. The Carossino Report came into being as a result of motions for resolutions requesting attention for particular ports, but we must make sure that, if something is done in a particular direction, it is done in a properly planned manner. We must also bear in mind that changes will always be taking place in the transport field, that there is an increasing volume of container traffic and more roll-on, roll-off business, which is why we want the directorate-general in question to have officials working once again specifically on these matters, as the motion for a resolution clearly says.

Mr President, it is virtually impossible to discuss such an important matter in so short a time, but I hope I have spelt out the really essential issues.

Mr O'Donnell (PPE). — Mr President, I wish first of all to congratulate Mr Carossino on his excellent report on the rôle of ports in the common transport policy. There is not doubt whatsoever that ports play a vital part in Community transport, and we in Ireland are very conscious of this fact. Our island peripheral

location and the lack of rail and road links with other Member States high-light the importance of the ports. They are the nerve-ends of the internal road and rail systems, the basic infrastructure for sea transport and the transfer points between land and sea transport systems.

The formulation of a specific port policy must be an integral part of a common transport policy. The attitude of those who say that the formulation of a specific port policy is not urgent is very difficult to understand. Ports provide the connecting link between land and sea transport, and without a specific port policy it is futile to pursue the objective of a coherent transport policy. It is timely to remind those who hold this view — and there also might be no harm in reminding the Commission and the Council — that the European Parliament has recently unanimously stressed the need for a global Community transport policy.

It is a matter of grave disappointment that despite the Parliament's resolution of April 1972, there has been no progress with a common seaport policy. I believe the time has now come for the Commission to pay far greater attention to ports than hitherto, and I sincerely hope that the excellent report by Mr Carossino will spur the Commission into the necessary action.

Mr Pearce (ED). — Mr President, I wish to speak in connection with an oral question which was submitted by Miss Hooper and myself and one or two other people and which has been connected with this particular debate. Like the debate itself, it relates to various port policies.

Mr President, I begin by harking back to the discussion we had a few moments ago under your chairmanship on the question of rum. This is very confusing, what with rum and with port, and I am trying to simplify it. The point was made in the discussion on rum that there was a part of the Community — the French Overseas Departments — which are at a disadvantage when compared with the rest of the Community. That is what we were being told, and that something should be done about it. Quite a few people subscribed to that line.

It seems to be the case that here with port — I am changing my beverage at this point — here with ports, the United Kingdom ports are at a particular disadvantage when compared with ports in nearly all the other Member States — not all but nearly all — in that, as regards the costs of dredging, of buoys and lights and of conservancy in general, the charges arising in United Kingdom ports are included in the costs borne by shipowners who bring their ships to those ports. In most countries, and particularly in the Netherlands, which is the most successful port country in the Community, those charges are borne by the State in one form or another. I know, Mr President, if I say it is a subsidy it will be denied; a subsidy is some-

Pearce

thing that the other fellow does, not what one does oneself. Nevertheless, the Netherlands, Germany and some other Community countries offer a measure of public support to their ports, year in year out, that is not made in the United Kingdom. That puts our ports at a disadvantage. If we had a common ports policy — and I hope we shall have one very soon — this discrepancy would be reduced and United Kingdom ports would be able to compete on equal terms.

Mr President, the particular points we have tried to elicit with this question are three in number. One is whether the Commission has completed a survey of port charges — and I would like to stress that it should be 'charges' and not 'changes', because there was a typing mistake in the text — throughout the Community to see who is getting subsidies for conservancy costs and who is not. I hope we can have a answer on that.

Secondly, to see what is the effect of the changing patterns of trade within the Community arising from membership of the European Community. Here I am thinking of west-coast ports in the United Kingdom which have suffered a decline in trade due to British trade with Community countries being greater now than it was in 1973 when Britain joined the Community.

My third and final question, Mr President, is whether it is not now time, through a common ports policy, to recognize that areas affected by declining ports are just as deserving of Community help as areas suffering from declining shipbuilding, coalmining, textiles or what have you. Now is the time to recognize the social and economic problems caused by declining ports and do something about it through an effective common ports policy.

Mr Eisma (NI). — *(NL)* We very much welcome the fact that attention is now being paid to European seaports policy as an important part of a common transport policy, although I already drew attention to the importance of this matter at a hearing held in December 1973 — in other words, many years ago, as a follow-up to the resolution we adopted on 17 April 1972. More than 10 years have now passed, and still nothing has been done as regards a Community seaports policy. That is something we all very much regret.

An overall policy in the transport sector must incorporate a coordinated, effective and efficient ports policy. In our view, it is important and desirable from the point of view of the Community that proposals for large-scale investment in our major sea ports in Europe should be submitted to the European Parliament, and I should like to hear the Commission's reaction to this idea.

Mr President, my Group can fully associate itself with the view that a common transport policy must be of a

general nature, covering all forms of transport. Ports, though, represent a very important element, and I should like to point out that more than 25% of all jobs are dependent on a sensible policy on ports and transport.

My Group would very much welcome voluntary cooperation at European level giving rise to the kind of initiatives which would make enforced regulations less necessary. But it does not look as though we are going to have any luck there in view of the failure of the appeal we made 12 years ago, and for that reason I should like to ask the Commission to respond at long last to all the proposals which Parliament has put to the Commission in the meantime.

Mr Contogeorgis, Member of the Commission. — *(GR)* Mr President, I too should like to thank Mr Carossino for his excellent report, which stresses Parliament's longterm interest in a ports policy. This report follows the previous reports by Mr Karteyn, Mr Siefert and Mr Seefeld, and I am confident that it will greatly influence all those responsible for issues relating to ports within the Community.

I would point out that the Commission is in full agreement with paragraphs 1, 3 and 6 of the motion and that the actions in the relative sectors come within the general framework of the transport policy.

We also agree with paragraph 2, and it should be noted that actions in this sector come within the Community regional policy. Under this policy, each Member State submits a regional development programme to the Commission. The investment plans to be financed — I am referring to plans relating to ports — are carefully examined by the appropriate department and, if they come under the programme for regional development, they are approved.

The Commission also agrees fully with the opinion of Parliament, as expressed in paragraph 4, which refers to the need for competition between seaports, and neither intends nor wishes to restrict this competition.

Paragraph 5 refers to the disparities in the administrative structures of ports. The 1977 report of the Working Party on ports, which was distributed to Parliament, included a complete list of these disparities. This report was updated in 1980, and will naturally be further updated as the need arises in the future.

It would appear from the comments in paragraphs 80-82 of the explanatory statement of the committee that Parliament welcomes the initiatives taken by the Commission in the shipping sector.

As regards paragraph 8, the Commission hopes to submit a document on an overall sea transport policy to the Parliament before the end of this year. This intention was expressed in the last Commission proposal to

Contogeorgis

the Council on the need for a common transport policy, and it mentioned it again to the Committee on Transport two weeks ago in Brussels. The Commission departments concerned with transport and the environment are working closely together with this objective in mind.

I should now like to refer to paragraph 9, which has been extensively alluded to by Mr Albers, and to inform you that I agree that there is a need for special officials to deal with ports. I will examine the possibilities and will suggest that special provision be made in the draft budget for 1984, because I believe that the port policy is a new activity which needs staff.

As regards the oral question tabled by a group of Members and presented by Mr Pearce, I should like to say the following. The first part of the question asks whether the Community has studied the tonnages handled by Community ports. The report of the Working Party on Ports submitted in 1977, lists the ports which benefited from subsidies for the deepening and marking of entry channels.

As regards the second part of the question, I should like to say that there are no studies relating to any reo-

rientation of trade to a degree which would effect ports, but the appropriate departments for regional policy and transport policy are working together and consulting with each other on the priority granting of funds to ports in development areas.

As for the third part of Mr Pearce's question, which refers to the port of Liverpool and the economic development of this region, I wish to say that — and I myself paid a visit to Liverpool a few months ago — we are aware of the importance which the port has for the economy of the region.

I would point out that the region surrounding the port of Liverpool is one of the regions which obtain aid from both the quota and non-quota sections of the Regional Fund.

That is what I wanted to say, Mr President, and thank you.

President. — The debate is adjourned until the next sitting.¹

(The sitting was closed at 12.05 a.m.)

¹ Agenda for the next sitting: 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.

NORD REPORT (Doc. 1-1097/82 'Rule 8 of the rules of procedure'): ADOPTED

The rapporteur was:

— Against all the amendments.

Explanations of vote

Mr Chambeiron (COM). — (FR) The Communist and Allies Group will be voting in favour of the report presented by Mr Nord.

By accepting some of the amendments, particularly the one supported by my colleague and friend, Mr D'Angelosante, it was possible for a large measure of agreement to be obtained among the committee members, about which we are very pleased.

At present, this balanced and reasonable report can only meet with our approval. I should, however, like to add that, since we in this Parliament are elected by the people and the forces of progress in our various countries, we feel that it is our duty to defend the collective interests of the social forces who have put their trust in us.

I should like to add that there are in our group no representatives of private interests connected with any lobby whatsoever. Both in this Assembly, and in our various countries, our activities are carried out openly, and we are continuously making efforts to make our public actions as clear as possible to everyone.

(Laughter)

With a clear conscience, therefore, we give our support to the motion for a resolution tabled by the Committee on the Rules of Procedure.

One day you will be laughing on the other side of your face, gentlemen.

(Applause from the Communist and Allies Group)

Mr Moreland (ED). — I shall support the Nord report, but I have a reservation, which is that I regret that Members' signing of the register is mandatory rather than voluntary. Yesterday, Mr Rogers said that the UK and German registers are voluntary. In fact, Mr Rogers is, strictly speaking, incorrect. The UK register was intended to be mandatory, but it degenerated into what is in effect a voluntary system, because certain Members refused to declare their interest — one Member quite openly. Nothing was, or could be, done about it, because the UK register has no sanctions on Members who do not sign.

The Nord report has no sanctions on Members who do not sign. Consequently, I suggest that, although in appearance mandatory, it would probably in effect be voluntary. So while I support Mr Nord's report and fully appreciate, as I am sure we all do, the way in which he has gone about his task, I would have preferred it to be admittedly voluntary and not ostensibly mandatory, but in practice voluntary.

MOUCHEL REPORT (Doc. 1-1325/82 'Agricultural prices')

The rapporteur was:

- in favour of Amendments Nos 4, 5, 6, 7, 8, 9, 13, 16, 20, 23/rev., 37, 39, 40, 41, 44, 63 and 88;
- against Amendments Nos 3, 10, 11, 12/rev., 14, 15, 17, 18, 19, 21, 22, 24, 26, 27, 29, 31, 32, 33, 34, 35, 36, 38, 42, 43, 45, 46, 47, 48, 49, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 77, 78, 80, 81, 82, 83, 84, 86, 87, 89, 90, 91, 92, 93, 94, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128 and 129.

Explanations of vote

Mr Pearce (ED). — I have a financial interest in not wanting my constituents to have to pay for surplus food that need never be produced. I am taking the opportunity to say this verbally after the amendments in case some Members of this House are listening, so that they can see what an irresponsible report this is, even after the amendments. It is a report which favours greedy farmers at the expense of everybody else. In doing that, it is acting in a way which my own farmers — and I have plenty of them — do not put to me.

The idea that farmers must always go on having more and more and more at the expense of everybody else will ruin this Community. It will have the opposite effect of what Mrs Scrivener was talking about. This is the cornerstone of the Community. It will break us apart. While advocating more for everybody in Continental countries, it does nothing for the one problem that really hits British farmers at the present time, and that is the crisis in the pig industry. Nothing is done about that. And as regards the injustice of British food manufacturers and British consumers who suffer taxes by way of expensive sugar, by levies on imported wheat and such like . . .

President. — Your speaking time is over, Mr Pearce.

Mr Hord (ED). — It is perhaps rather an interesting coincidence that today we voted on this year's farmprice review and we also approved the proposal to have a register of Members' interests.

In future, we may be able to contemplate that those with vested interests do not participate in those votes and that there will be a proper representation of the 88% of the non-industrial electorate of Europe.

The heavily biased agricultural vote has called for a pernicious treatment of New Zealand which is likely to do more harm to the Community as we have a trade balance in our favour. The same biased agricultural vote has adopted a price proposal of a minimum of 7% — way above the Commission's proposals — which, I submit, is totally irresponsible in view of the huge surpluses that continue to abound. It is also unrealistic in terms of the fight against inflation. I submit it is also totally counter-productive in terms of securing a budget that is relevant to the needs of Europe as a whole.

For these reasons, Mr President, I shall vote against the Mouchel report.

Mr Alavanos (COM). — (GR) I will be brief. We have fundamental and basic reservations concerning the Mouchel motion. Firstly, we believe the proposals to be particularly inadequate for Greek agriculture; secondly, amendments which were of particular interest to Greek farmers have been rejected, and thirdly, we believe that the future of the Greek agricultural economy lies not in the common agricultural policy, but rather in Greece's leaving the EEC and in the application of a national agricultural policy.

In spite of this, since the debate so far has amounted to a confrontation between those who support the Commission's rigorous proposals and those who support the proposals

from the Committee on Agriculture, we shall vote in favour, since we mean this vote to be a condemnation of the Commission's proposals.

Lord Harmar-Nicholls (ED). — I wanted to say that once we had rejected Amendment No 83, this Parliament had voted in flat contradiction to almost all of its past declarations that it wanted to narrow the gap between agricultural and other spending, and that therefore all the subsequent amendments on detail, in my view, amounted to a charade to make appear respectable something that was not respectable. I could not support that. I believe it will damage our image and the future development of this group from being an Assembly to a responsible Parliament.

That is why I absented myself from all of the amendment votes. I am sorry that more Members did not do likewise, because, although we have lost the battle today, we could have set a base to win the war of the future and prevent Members using European funds in order to help their votes at home, rather than in the best interests of the whole of this Community's future. That is why I shall vote against the resolution.

Mr Arndt (S). — (DE) I am really sorry that a decision is about to be taken here and now which is plainly designed to sink the Community. The people who vote for this know that in doing so they are going to sink the Community and its financing.

The report in its present form rests on a gross untruth. Recital C states that the costs of the agricultural policy may not rise by more than the increase in Community revenue, and everyone knows on account of the Commission's binding statements that this does not happen. In other words, what is being proposed here is going to push things beyond the limit and the 70% level is going to be breached again.

Now all this could be defended if it involved a sensible policy but the agricultural policy we have had so far has led to the loss of jobs and you have carried on with this policy here today. The people who vote for this motion are causing more jobs to be lost in the agricultural sector.

The agricultural policy we have had so far has led to increasing surpluses. People who vote for this motion are voting for even more surplus production. The policy we have had so far has led to a cut in the incomes of small and medium-sized holdings, and yet you want to vote in favour of this again! I am *against* this motion because I am *in favour* of the Community.

Mr Pranchère (COM). — (FR) Thanks to the concerted efforts of electors, farmers and the French Government, we managed in 1982 to halt the drop in agricultural incomes which we have been experiencing for eight years in France. We do not want to go back on the progress made. The income of family farmers must continue to go up.

We regret that Parliament has not approved an 8.5% price increase, which would also have permitted the dismantling of the positive compensatory amounts which penalize our agriculture. Nevertheless, we take note of the Assembly's wish to increase prices by 7%, which could amount to a 12% increase in France. A number of our proposals have also been retained: the extension of co-responsibility has been rejected, there is greater respect for Community principles, the institution of a true policy on fats, a halt to imports of New Zealand butter, and improved guarantees in a number of sectors of production. This all spells defeat to those who want to pursue the construction of Europe at the expense of farmers, and is at the same time a warning to the United States, which has launched an offensive to influence our decisions on prices. Despite some reservations, we will be voting in favour of Mr Mouchel's report, because it can help towards giving agricultural income its rightful place again in 1983, which is essential, as well as helping to improve our production and recapture the internal market.

Mr Price (ED). — Politics is about determining priorities. Today Parliament has voted to give priority to the funding of surplus agricultural production. Since the Community's

own resources are limited, this means that it has voted against priority for measures to combat unemployment, such as the Regional and Social Funds. Similarly it has decided not to give priority to making longterm improvements of the European economy, by, for example, expanding cooperative research and action in the fields of energy and industry.

I do not believe that Parliament intended to deny priority to these other policies, but it should face reality. If it votes for increased resources in one field, it inevitably withholds them in others.

Today Parliament has spoken in the evasive language of double-talk. When interpreted into any other language, this means that its opinion today is worthless. I cannot support either the content of the resolution or the approach which lies behind it. Therefore, Mr President, I shall vote against.

Mr Gautier (S). — (DE) I am speaking here in a personal capacity. When I came here I thought I was going to be in a parliament and not in a self-service store. If you ask me, this Parliament has shown today that it is not worthy of the name of parliament, since it is nothing more than a self-service store for the farm lobby.

There are two points I want to make by way of explanation. Personally, I was shocked that the Christian Democrats voted to do away with import quotas for New Zealand butter. What is happening as far as this is concerned is scandalous, if you ask me.

A lot of Christian Democrats have also blamed the Commission for not coming up with any proposals for reform. At the same time they have shown by the way they have voted today that they reject every single proposal for a reform of agricultural production and cannot accept any proposal at all.

This policy and this report is beyond me. Consequently, I shall vote against every supplementary budget and — for the benefit of those who are interested — in future I shall also be voting against any increase of non-compulsory expenditure, because it is just not on that you vote through 2 000 million ECU for compulsory expenditure and then vote through the same amount in the belief that everything else can be financed in this way.

Dame Shelagh Roberts (ED). — I shall vote against this resolution because I consider that in times when so many of our citizens are suffering extreme economic stringency, it is quite wrong to be fattening the already plump farmers of the Community. I believe it shows a deplorable lack of a proper order of priorities and I deprecate the statement which the President-in-Office of the Council made earlier this week, when he blandly stated that the Council and the Parliament would, as they usually did, increase the Commission's proposals. In my view that constitutes an open invitation to the Commission in subsequent years to propose something less than realistic, in the confident expectation that the Parliament and the Council, whatever its merits, will insist upon increasing the Commission's proposals.

I think that Parliament should take a great deal more seriously the warning given by Mr Tugendhat on Tuesday, that in proceeding along this course, the Commission was heading for bankruptcy. I regret that it should be doing so in such an undeserving cause.

Mr Treacy (S). — The Irish Labour Party Members of the Socialist Group are supporting the Mouchel report, with the exception of the Commission's proposals for an average price increase of 5.5%. Here we shall vote for the Committee on Agriculture's recommendation of an average price increase of 7%.

(Laughter from the right)

The reasons for this position are briefly as follows. The average price increases put forward by the Commission are substantially below the rate of inflation in Ireland and therefore cannot compensate Irish farmers for the real increase in the cost of their inputs. The result will be yet a further drop in their real incomes, with consequent inflationary effects

on the rest of the economy. Further, the price increase for milk will only amount to 2·3% on the basis of the Commission's proposals, but milk accounts for 30% of Ireland's agricultural output. Therefore the Commission's price proposals will have a disproportionately adverse effect on farm incomes in Ireland.

Mr Mouchel (DEP), rapporteur. — (FR) Mr President, I feel a certain satisfaction — subject to a favourable final vote — after all these votes point by point. Indeed, this minimum price rise of 7%, proposed by the Committee on Agriculture, seems a totally positive move to me. I am also glad that the House has decided to vote in favour of the total abolition of negative monetary compensatory amounts and in favour of a swift and substantial decrease in positive compensatory amounts. Moreover, Parliament followed the recommendations of the Committee on Agriculture by refusing to countenance the application of the co-responsibility levy to other products. I am also pleased to note, in the case of milk, that we have been followed in our refusal to increase this co-responsibility levy. I do have regrets, however, concerning small producers, since we have not succeeded in obtaining exemption for them for their first 60 000 kg of milk. I am nevertheless glad that we have rejected the Commission's proposal to lower the intervention price in relation to the guide price, and I also find satisfaction in the fact that we have voted against aligning the price of Community cereals with those applied by our main competitors.

On the whole, then, Parliament has followed my recommendations regarding the majority of products. It has also supported the proposal to extend the common agricultural policy to all those products which are at present not yet governed by a market organization. Finally, I would emphasize the importance of Community supervision of the application of agricultural regulations.

All the same, Mr President, I should like to express some regret at Parliament's attitude towards vegetable oils and fats. I absolutely fail to comprehend this. How on earth can the very people who criticize the huge amounts spent on the common agricultural policy reject the increases in receipts which we are proposing elsewhere? I should be very grateful, Mr President, if those who take this attitude could shed some light on their behaviour for the rest of us some day.

(Applause)

Mrs Desouches (S), in writing. — (FR) Some of the amendments and texts that have just been approved are obviously a great disappointment to the French Socialists. I would even go so far as to say that the results are sometimes incomprehensible.

How can we tolerate Parliament's refusal to demand from the Commission a more aggressive attitude to a levy by the United States on Community agriculture?

How are we to explain that those who are moaning about the existence of surpluses are also the very people who refuse to export products to the Soviet Union?

How are we to understand the rejection of a levy on imported oils and fats, when some opponents of the CAP are always moaning about CAP Expenditure, which they consider excessive?

Above all, how are we to explain the refusal by Parliament to distinguish between aids and to waive the co-responsibility levy for the first 60 000 kilos of milk produced by farms?

Can it be that Parliament is scared of developing an original policy on agriculture, when only a policy of this kind would be capable of guaranteeing some justice in this sphere and of stemming the increase in unemployment among farmworkers and the drop in the number of farms operating?

On the other hand, we are satisfied to note Parliament's approval of the 7% global increase in the European unit of account, the request for the abolition of the monetary

compensatory amounts, and the refusal to align the prices of Community cereals with those of the world as a whole. We also appreciate the fact that Parliament has taken account of the amendments we have tabled concerning the interests of developing countries, as well as those which refer to eggs and poultry and which necessitate the adjustment of refunds in order to safeguard this sector which is threatened by unfair competition from various third countries.

For all these reasons, and despite certain regrets, we shall be voting for the report presented by the Committee on Agriculture.

Mr Gatto (S) (*in writing*). — (*IT*) This debate is characterized not so much by the tension of previous years as by general confusion. This alone goes to show that these Commission proposals, as well as the document prepared by the parliamentary committee, are not suited to deal with the particularly severe crisis being experienced in this sector.

I shall therefore be voting against the motion, not so much because of the specific formulation of the proposals submitted today but because of the general framework in which they are situated. The extreme inadequacy of this instrument or — I would even go as far as to say — of this price ritual in tackling this immense crisis is blatantly obvious.

It is therefore necessary to solve the problems of the real agro-economic situations in individual regions, of the varying efficiency and extent of investment as regards prices and structures, of the contradiction between squandering of resources and the resultant benefits, to consumers and farmers, and of production surpluses and shortfalls, both of which have to be paid for. We therefore insist on a thoroughgoing review of the CAP as soon as possible, before it can become a major cause of disunity in our Community, which there is instead every reason to extend and reinforce.

Mr Marshall (ED) (*in writing*). — I shall vote against the Mouchel report because I believe that the House, by rejecting the Commission's proposals and by rejecting Mrs Castle's amendment, has behaved quite irresponsibly.

The House is seeking to raise expectations amongst farmers even though most MEP's know that these expectations cannot be fulfilled.

The House's proposals will precipitate a financial crisis. The Community cannot afford average price increases of 7%. The cost of these proposals will prevent the development of other policies. They will prevent the Community making meaningful rebates to the United Kingdom. There may well be a major financial crisis in the Community next year.

The House's proposals are seen as unfair: unfair as between producer and consumer; unfair as between the taxpayer and the producer; unfair as between various countries.

The House has not distinguished itself today. It has voted for high price increases to curry favour with sectional interests. We *all* know these increases will not happen. By voting for them, Members will put political expediency before their consciences or common sense.

Sir Fred Warner (ED), *in writing*. — I am afraid that the annual farm price review regularly puts our Parliament in the worst possible light. Every year, the more cynical and irresponsible Members lead a clamour for unrestricted production and expenditure, which puts enormous pressure on those serious and conscientious Members who try to represent the interests of their farming constituents in a more effective way. The cynicism of these people is shown by the fact that they are the very ones who a few weeks ago were shouting for budgetary restraint and reform; their irresponsibility is shown by the fact that it is the money of other Member States than their own which most of them are voting to spend.

I do not believe that it is in any way in the interests of British farmers to antagonize the tax-payer and the consumer and to enter into a trade war with the Americans, as the authors of the Parliament's resolution propose. Nor would I vote for the resolution pro-

posed by the British Socialists, who are publicly committed to the dismantling of British agriculture. I greatly regret that Parliament did not see fit to adopt the Commission's proposals.

Mr Welsh (ED), in writing. — It is regrettable that Members of Parliament who only last month voted for a thorough reform of Parliament's finances should this month approve a resolution which seeks to remove every single restraint on agricultural spending.

Such a want of consistency can only raise questions about the Parliament's claim to be taken seriously as a participant in the development of the common agricultural policy. In particular, the proposal to raise the prices of cereals which are in chronic structural surplus can only compound the problems of pig and poultry producers in Lancashire, who find themselves in serious difficulties as a result of the inflated cost of their inputs.

A prudent price policy and support for the Commission's guidelines was never more essential, and therefore I shall vote against the Mouchel resolution.

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CROUX MOTION FOR A RESOLUTION (Doc. 1-1380/82 'Maltese nationalist party'): ADOPTED

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VON HASSEL MOTION FOR A RESOLUTION (Doc. 1-1372/82 'Baha'is in Iran'): ADOPTED

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* *

ROGALLA MOTION FOR A RESOLUTION (Doc. 1-1340/82 'Common market'): ADOPTED

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SEIBEL-EMMERLING MOTION FOR A RESOLUTION (Doc. 1-1367/82 'Pollution'): ADOPTED

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SCHLEICHER MOTION FOR A RESOLUTION (Doc. 1-1381/82 'Pollution'): ADOPTED

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**FANTI MOTION FOR A RESOLUTION (Doc. 1-1384/82/rev. 'American
agricultural products'): ADOPTED**

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**SASSANO MOTION FOR A RESOLUTION (Doc. 1-1371/82 'Cable link'):
ADOPTED**

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* *

**EPHREMIDIS MOTION FOR A RESOLUTION (Doc. 1-1382/82 'Snow storms'):
ADOPTED**

SITTING OF FRIDAY, 11 MARCH 1983

Contents

1. <i>Approval of the minutes:</i> <i>Mr Habsburg; Mr Nord; Mr Galland; Mr Arndt; Mr Galland; Mr Pannella; Mr C. Jackson; Mr Johnson; Mr Welsh; Mr Bord</i>	246	4. <i>Common transport policy (ports) — Report by Mr Carossino (Doc. 1-844/82) (contd):</i> <i>Mrs Van Hemeldonck; Mr Cottrell; Mr Bangemann; Mr Habsburg; Dame Shelagh Roberts; Mr Janssen van Raay; Mr Seefeld</i>	254
2. <i>Votes:</i> <i>Miss Hooper; Mr Ortoli (Commission); Mr Berkhout; Mr Ortoli; Mr von der Vring; Mr Collins; Miss Hooper; Mrs Schleicher; Mr Collins; Mr Ortoli; Mrs Krouwel-Vlam; Mrs Schleicher; Mr Flanagan; Mr Mertens; Mr Muntingh; Mr McCartin; Mr Prout; Mr Muntingh; Mr Clinton; Mrs Ewing; Mr Maher; Mr McCartin; Mr Muntingh; Mr Mertens; Mrs Le Roux; Mr Seefeld</i>	248	5. <i>Transport organization — Report by Mr Carossino (Doc. 1-967/82) and oral question by Mr von Wogau and others to the Commission (Doc. 1-1284/82):</i> <i>Mr Albers; Mr O'Donnell; Mrs Le Roux; Mr Rogalla; Mr Buttafuoco; Mr Giolitti (Commission)</i>	258
3. <i>Fisheries — Reports by Mr d'Ormesson (Doc. 1-1320/82), Mrs Pawwelyn (Doc. 1-1334/82), Mr Blaney (Doc. 1-1332/82) and Mrs Le Roux (Doc. 1-1333/82):</i> <i>Mr Tolman; Ms Quin; Mrs Ewing; Mr Battersby; Mr Ortoli (Commission); Mrs Le Roux</i>	251	6. <i>Emergency aid to Vietnam — Report by Mr Deniau (Doc. 1-1270/82):</i> <i>Mr Bord; Mr Cohen; Mr Habsburg; Mr Cohen; Mr Habsburg; Mr Bangemann; Mr Fergusson</i>	261
		7. <i>Adjournment of the session</i>	262
		<i>Annex:</i> <i>Mrs Squarcialupi; Mr Pearce; Mr McCartin; Mr Lalor; Mrs Viehoff; Mr Damette; Mr Bombard; Mr Adam; Mrs Théobald-Paoli; Mr Welsh</i>	263

IN THE CHAIR: MR KLEPSCH

Are there any comments?

Vice-President

(The sitting opened at 9 a.m.)

1. *Approval of the Minutes*

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

Mr Habsburg (PPE). — (DE) Mr President, I see from the Minutes — and this was general knowledge yesterday anyway — that President Dankert was not prepared to declare the adoption of Doc. 1-15/83, even though it had received more than the number of signatures required for its adoption. This seems to me to be a legally contestable point, although one could talk about it.

What is, however, inadmissible is that, as I have just learnt from officials, instructions have been given,

Habsburg

contrary to Rule 49(4) of the Rules of Procedure, not to announce the number of signatures appended to the various motions in the Register at the end of this sitting.

I therefore ask you, Mr President, to ensure that the procedure laid down quite clearly in the Rules of Procedure is adhered to and that we receive an assurance that this information will be announced at the end of this plenary sitting.

Mr Nord (L). — *(NL)* Mr President, in reply to the observation made by Mr Habsburg, I wish to say that in my view the President of the Parliament has acted very properly. As I see it — and Mr Habsburg has admitted that it is a disputable point — the resolution conflicts with the recent decision of the Court of Justice. I think, therefore, that the procedure the President has chosen to adopt is entirely correct and that Mr Habsburg's criticism of the consequences of the President's decision is unfounded insofar as these consequences flow directly from the position very properly adopted by the President.

Mr Galland (L). — *(FR)* Mr President, this time I have to disagree with Mr Nord, who, I fear, has not carefully read the consequences of the President's decision and, in particular, the reasons which prompted that statement.

I simply wish to make the following observation, Mr President. I feel that Mr Dankert's decision yesterday is in direct contradiction to the Rules of Procedure for the following reasons.

Our Rules of Procedure are in no way concerned with the Court of Justice. Our Rules . . .

Mr Arndt (S). — *(DE)* That has nothing to do with the Minutes!

Mr Galland (L). — *(FR)* Mr Arndt, if you wish to speak, I shall be silent and resume my speech later!

Our Rules of Procedure lay down the conditions under which we are entitled to enter a motion for a resolution in the Register. This is, in fact, a rule that has been modified by the Committee on the Rules of Procedure and Petitions. It comprises five paragraphs. I shall give you an example of the mode of application. This House has never refused an urgent motion for a resolution. Thus, Mr Berkhouwer collected the signatures . . .

(Interruption by Mr Arndt)

. . . Ah yes, Mr Arndt, it is necessary to recall the mode of application of the Rules of Procedure, and I would ask you to refrain from interrupting me, if you

please — of 250 Members of this House in 24 hours for a motion for a resolution on the tunnel under the Channel.

Very well. Now, the President of Parliament, for the first time, is refusing to abide by the mode of application of Rule 49, on the pretext that a particular motion for a resolution has not been distributed in the proper circumstances.

This is unprecedented. I have no particular reason to get worked up about this motion for a resolution, since I am not one of those who signed it. What I am protesting against are the new mode of application of Rule 49 now introduced by the President, and I ask you, Mr President, in view of the precedents which I have just mentioned to refer the matter to the Bureau of Parliament.

President. — A large number of Members have asked to raise points of order, but this is not the place for dealing with a matter which has to be studied by the Committee on the Rules of Procedure and Petitions. Pursuant to Rule 49 of the Rules of Procedure, President Dankert informed the House that Mr van Hassel's motion for a resolution had been signed by more than half of the Members of the House. The President then pointed out that the motion for a resolution was not in the Register and that at least those Members who had not signed it had therefore had no opportunity to acquaint themselves with it and to table amendments in the form of an alternative motion for a resolution. He stated that he would refer the matter to the Committee on the Rules of Procedure and Petitions. The statements which have been made here will be taken into account in this context. The motion for a resolution was announced in the Chamber. Parliament will return to the matter as soon as the Committee on the Rules of Procedure and Petitions has decided on an interpretation. In my view, page 1 of the Minutes correctly reports what the President said. I recommend whoever wants to take up the Rules of Procedure in detail to read once again, in Rule 111, what these Rules have to say about their interpretation.

Mr Pannella (CDI). — *(FR)* Since you decided to interrupt a debate which should have not begun in the first place, my point of order falls.

Mr C. Jackson (ED). — Mr President, I wanted to raise another point with respect to yesterday's Minutes. The Minutes show when an electronic vote was taken, but do *not* show the numerical result except when a roll call was asked for. Rule 78(2) of the Rules of Procedure states:

Where an electronic vote is taken, only the numerical result of that vote shall be recorded.

I gave notice to the presidency yesterday that I was going to raise this point, and I want to request, in

Jackson

accordance with Rule 78(2), that the numerical result of electronic votes be always recorded in the Minutes.

The reason for this request, Mr President, is simply stated: the numerical result of a vote in this Parliament can be of considerable political interest and importance. When we are giving an opinion to the Commission, the constitutional position is that they may be persuaded to agree with us by the force of our argument, or by the weight of our opinion, reflected by a significant majority in this House and coupled, of course, with the other powers which we have in reserve relating to the Commission as stated in our Rules.

To follow that one stage further, Mr President, as we develop our parliamentary procedures, there is a strong argument for the presidency taking the final vote on all resolutions electronically, so that the numerical result is recorded. I hope you will agree that the presidency should consider that request as well as the first one that I made in accordance with Rule 78(2).

President. — We shall go into the matter. I will give your request my backing, but I do not know whether we shall have any success.

Mr Johnson (ED). — This is a factual point, Mr President. On page 56 of the Minutes it was Mr de Ferranti that spoke for the group and not me.

President. — That will be corrected.

Mr Welsh (ED). — Mr President, if you refer to page 50 of the Minutes, you will see that in the record of the vote on Mr Wurtz's motion, which the House in its wisdom saw fit to adopt, it says quite clearly that the second part of paragraph 5 was rejected. If you look at the printed text of the resolution, you will find that the second half of paragraph 5 is still there. Mr President, could you make sure that that error is put right, because I do not think we want to declare war on the United States just yet?

President. — We will go into the matter and make any corrections that are necessary.

Mr Bord (DEP). — (FR) Mr President, on a point of order. On behalf of my colleague, Mr Xavier Deniau, I wish, under Rule 87 of the Rules of Procedure, to postpone his report on emergency aid to Vietnam until 13 April, the Wednesday of the next part-session. This request, Mr President, which has been approved by all the groups and by the Commission, is based on two considerations, to allow the Political Affairs Committee . . .

President. — Please put your request later. I shall call you at the appropriate time.¹

(Parliament approved the Minutes)

2. Votes²

Hooper report (Doc. 1-1187/82: Containers)

After rejection of the amendments to the draft directive

President. — I remind the House that the Committee on the Environment, Public Health and Consumer Protection has decided against the proposal for a directive and calls on the Commission to replace it with a proposal for a recommendation. It reserves the right to recommend Parliament to apply Rule 35(3) of the Rules of Procedure, under which Parliament can decide not to take a vote on the motion for a resolution but to refer the matter to the committee responsible after hearing the Commission's opinion.

Miss Hooper (ED), rapporteur. — Mr President, I may not understand the procedure correctly, but I understood that we were going to have the opportunity to vote on the Commission proposal as a whole in order that we can indicate clearly the Parliament's view. Are we going to do that before invoking Rule 35?

President. — That we are going to do now, Miss Hooper. All the amendments have been rejected, so that we can now vote on the directive as a whole.

(Parliament rejected the Commission proposal)

Miss Hooper (ED), rapporteur. — Mr President, before asking you to invoke Rule 35, I would like to explain that the reason why I wish to delay a vote on the motion for a resolution is that I would like the committee to have the opportunity to reconsider our position, partly because, in spite of the very clear decision of this Parliament, the Commission refuses to withdraw its proposal, and partly because during the debate references were made to the fact that the Council is already working on a document which is substantially different from the text before us and therefore makes nonsense of our work.

Further, the Commission also suggested that the Council was coming to the view that a directive might be possible in this matter, but I have a clear understanding that certain members of the Council are cate-

¹ For the item relating to the procedure without report, see the Minutes of Proceedings of this sitting.

² See Annex.

Hooper

gorically against it. I therefore think it important that the committee should have the opportunity to reconsider its position and to be further informed.

President. — Yesterday I understood the Commissioner to say that he does not intend to withdraw the Commission's proposal. Mr Ortoli will now confirm this for me.

Mr Ortoli, Vice-President of the Commission. — (FR) The proposal has not been withdrawn.

Mr Berkhouwer (L). — (FR) Mr President, Mr Ortoli tells me that the proposal has not been withdrawn. But will it be withdrawn later?

Mr Ortoli, Vice-President of the Commission. — (FR) I admire our friend's command of semantics. I am telling you that the proposal has not been withdrawn and I have not said that it will be withdrawn. I am sorry.

Mr von der Vring (S). — (DE) On a point of order, Mr President, would you please repeat what Mr Narjes said yesterday on this matter? In fact he not merely stated that he would naturally maintain the proposal but also asked the Parliament as a matter of urgency to make a greater effort to resist lobbying.

(Applause from the Left)

President. — That was not a point of order, Mr von der Vring.

Mr Collins (S), chairman of the Committee on the Environment, Public Health and Consumer Protection. — Mr President, perhaps we could clarify this. There is no doubt at all that Parliament's vote this morning firmly indicates that it wants to reject the existing Commission proposal. There is equally no doubt from listening to the Commission that it has no intention whatsoever of withdrawing that proposal. But the third element in this matter is the document that came into our hands yesterday and the day before indicating fairly clearly again that discussions are going on in the Council and that the Commission has been aware of these discussions.

Because of that and because of the possibility of a rather silly conflict, I think it would be advisable to allow this to go back to committee so that we can have a further discussion and see whether or not any progress can be made. It seems to me that we have got into the position where many people are saying that a directive may be desirable, but not this directive. That being the case, I think it very important indeed that the committee should have a say and should be able to advise this Parliament accordingly.

President. — I now ask you once more whether we are to postpone the vote, as Miss Hooper has requested, or refer the resolution to committee.

Mr Collins (S), chairman of the Committee on the Environment, Public Health and Consumer Protection. — Mr President, Rule 35(3) makes it fairly clear . . .

President. — Mr Collins, you may take it for granted that the Chair is also acquainted with Rule 35. We will first ask the rapporteur. Did you make your request under Rule 35?

Miss Hooper (ED), rapporteur. — Mr President, I would have thought that Rule 36 was not applicable, because it says: 'Where the Commission proposal as a whole is approved . . .' In this case the Commission proposal as a whole was not approved. Therefore, in my view it is Rule 35(3) which should apply.

Mrs Schleicher (PPE). — (DE) Parliament has rejected the directive. If that is so, on what legal basis is the committee to discuss the matter? In my view, the matter can only be taken up again when the Commission submits new proposals.

Mr Collins (S), chairman of the Committee on the Environment, Public Health and Consumer Protection. — My view is that Rule 35(3) is the appropriate one in the circumstances.

(Parliament approved the request for reference to committee)

Schleicher report (Doc. 1-1207/82: Labelling of food-stuffs)

After rejection of the proposal for a directive

President. — Does the Commission withdraw the directive?

Mr Ortoli, Vice-President of the Commission. — (FR) The proposal has not been withdrawn. I believe this was confirmed by my colleague, Mr Narjes.

Mrs Krouwel-Vlam (S). — (NL) In that case, Mr President, I wish to request that we apply Rule 35(3) as we did in the previous instance. In other words, I am requesting that we refer the matter to committee, since there are new facts to be considered.

Mrs Schleicher (PPE), rapporteur. — (DE) There is no difference of opinion between the Commission and Parliament on this matter; we are taking a firm stand

Schleicher

against the Council for failing to adopt a basic directive. The Commission is forced to submit a proposal, whereas we find ourselves in disagreement with the Council. We must now vote on the motion for a resolution, and I am opposed to a reference to committee.

(Parliament rejected Mrs Krouwel-Vlam's request)

Mertens report (Doc. 1-1188/82: Irish bogs)

After the explanation of vote¹

Mr Flanagan (DEP). — Could I make a proposal that we postpone the vote until another occasion? I am sure there is general agreement: it is just that we cannot agree on the details. My proposal is that we postpone the vote to another occasion.

Mr Mertens (PPE), rapporteur. — (DE) I don't think a postponement would help very much. I move that we vote now.

Mr Muntingh (S). — (NL) Mr President, what Mr McCartin said bears no relation to the facts. I can see no reason why we should not vote on the report.

Mr McCartin (PPE). — I want to second the motion by Mr Flanagan that the vote be postponed. I would dearly love to support the idea. I regret that Mr Muntingh accused me of not speaking the truth. He gave no reason whatever to support his allegations that I was not speaking truly when I said that this Parliament...

President. — I cannot allow Members now to start a debate on your remarks under the pretext of raising points of order.

Mr Prout (ED). — Mr President, may I just speak up in support of Mr McCartin? I think where a Member makes an allegation about the truthfulness or otherwise of the statement of another Member, that other Member ought to be entitled to reply.

President. — If this request had been made by the rapporteur or the committee chairman, I should have put it to the vote. It is now open to any Member to request that the matter be referred to committee, but no one has as yet done so.

Mr Muntingh (S). — (NL) Mr President, I can say in one sentence why I think Mr McCartin is wrong.

President. — No, Mr Muntingh. You do not have the floor.

Mr Clinton (PPE). — Mr President, surely it is not in order for a Member of this House to tell the House that another Member is telling lies and not be required to withdraw that allegation.

(Protests from Mr Muntingh).

President. — Mr Clinton, you do not have the floor.

Mrs Ewing (DEP). — On a point of order, Mr President. Could I ask your guidance on Rule 82(2b)? It does seem to me that this is a procedural motion and that then you must hear one speaker in favour and one against, as well as the chairman or rapporteur of each committee concerned.

President. — I have just pointed out that no one has asked for a reference to committee.

Mr Maher (L). — Mr President, can I propose that we send it back to committee, because if the Parliament decides on this today, they will put back conservation in Ireland instead of helping it.

President. — Does anyone wish to speak for or against?

Mr McCartin (PPE). — Mr President, I want to speak in favour of referring the matter to committee, because I do not believe that there is a big gap to be bridged. Paragraph 5 says:

Requests the Commission to ascertain whether, if other resources prove to be inadequate, financing can be made available from the Environmental Fund for the purchase, inspection and supervision of bogs...

If we accept that completely, paragraph 6 seems to be in contradiction. It says:

Requests the Commission to ascertain whether, if necessary, 10% of the appropriations earmarked for industrial and agricultural development projects could in future be set aside for nature conservation...

That is suggesting that part of the grants already allocated from the EAGGF to small Irish farmers in poor regions can be reduced.

I think that those two paragraphs are in contradiction. If paragraph 6 were not there, we could accept paragraph 5, and I believe that with a small amendment we

¹ See Annex.

McCartin

could accept paragraph 6. I think the committee will be able to resolve this problem, and we should not become over-emotional about it. But if we incur the enmity of the farmers concerned, it is beyond ability to preserve those moors and bogs.

Mr Muntingh (S). — (NL) Mr President, during the last budgetary procedure, Parliament adopted an amendment expressing its opinion that when Nature is interfered with by means of agricultural funds, a sum — if possible, 10% — of these same funds must be appropriated to counteract the negative effects of such intervention. That amendment was adopted by an overwhelming majority of this Parliament and has now been incorporated by Mr Mertens in this resolution as a direct result of the guidelines this Parliament has itself laid down. Now I maintain — and this is all that I said — that Mr McCartin has failed to understand this and that it is quite untrue that anyone in this Parliament wants to take a penny from the poor farmers to whom he and his colleagues are trying to give money.

That was the opinion of this Parliament, expressed here during the last budgetary procedure; and that means, Mr President, that everything is quite clear, we have expressed our views on the matter and there is therefore not the slightest need to refer the matter to the Committee on the Environment, Public Health and Consumer Protection, since we were all in agreement.

Mr Mertens (PPE), rapporteur. — (DE) Mr President, it does, of course, much credit to our Irish colleagues that they should defend in this way the cause of small-scale farmers in Ireland; but as far as this report is concerned, I really believe that our much-respected colleague Mr McCartin is the victim of a misunderstanding. No one in this Parliament is of the opinion that here anything should be held back or taken away from the Irish farmers or that they should be obliged to pay anything.

What we are considering here — and it is put very carefully — is the need for the Commission to ascertain from what sources and for what purposes financial appropriations can be made. My attempts to convince Mr McCartin have failed, and that is probably due to linguistic difficulties. I hope he can now accept what I am saying and also agrees to our voting on the matter today, for nothing would be gained by referring this report once more to committee.

(Parliament rejected the request for reference to committee)

Hopper report (Doc. 1-1179/82: Rum)

Mrs Le Roux (COM). — (FR) I request that it be established whether there is a quorum for the vote on this report.

Mrs Le Roux's request was not supported by 10 Members)

Von Alemann report (Doc. 1-1205/82: Transfrontier transport)

Paragraph 6: Amendment No 1

Mr Seefeld (S), deputy rapporteur. — (DE) Mrs Boot's amendment calls for deletion. A number of discussions have taken place between Mrs Boot and Mrs von Alemann, during which it was pointed out that the first part of paragraph 6, calling for the creation of a legal framework for cooperation between internal frontier regions, is of great importance to this report.

Mrs von Alemann has now stated that she would be prepared to delete the last part of paragraph 6, following the words 'drawn up by the Council of Europe'. Mrs Boot has given me to understand that if we delete this last passage, she will withdraw her amendment.

3. Fisheries

President. — The next item is a joint debate on 4 reports drawn up on behalf of the Committee on Agriculture:

— by Mr d'Ormesson (Doc. 1-1320/82), on

the proposal from the Commission to the Council (Doc. 1-1195/82-COM(82) 888 final) for a regulation laying down certain measures for the conservation and management of fishery resources applicable to vessels flying the flag of certain non-member countries in the 200-nautical-mile zone off the coast of the French Department of Guyana;

— by Mrs Pauwelyn (Doc. 1-1334/82), on

the proposal from the Commission to the Council (Doc. 1-1236/82-COM(83) 28 final) for a regulation on the conclusion of the Agreement between the European Economic Community, Norway and Sweden on the regulation of fisheries in the Skagerrak and the Kattegat in 1983;

— by Mr Blaney (Doc. 1-1332/82), on

the proposal from the Commission to the Council (Doc. 1-1223/82-COM(79) 60 final) for a regulation concerning the conclusion of an Agreement on fisheries between the European Economic Community and the Government of Finland;

President

— and by Mrs Le Roux (Doc. 1-1333/82), on the proposal from the Commission to the Council (Doc. 1-1301/82-COM(83) 11 final) for a regulation on the conclusion of the Agreement between the European Economic Community and the Government of the Republic of Guinea-Bissau, amending the Agreement on fishing off the coast of Guinea-Bissau signed on 27 February 1980.

Mr Tolman (PPE), *deputy rapporteur*. — (NL) Mr President, I can make it very short. The report was unanimously approved in committee, and I ask the Parliament to do the same.

Ms Quin (S). — Mr President, the Socialist Group is in favour of all four of these reports, which are not really very controversial. Indeed, I shall only refer to two of them in the course of this brief intervention.

Firstly, I would like to refer to the d'Ormesson report on French Guyana. I am glad that it lays great stress on the need to develop the shrimp-processing industry in Guyana. The Commission is asked to draw up a report on the progress achieved since 1977. I understand that shrimps account for 44% of all exports from French Guyana. If this is true, the EEC should give all possible help to promote the indigenous fishing and fish-processing industry. I hope that the Commission will report to us on what it sees as the best way of bringing this about.

Secondly, I would like to refer to Mrs Pauwelyn's report on the agreement between Norway, Sweden and the EEC on fishing in the Skagerrak and Kattegat. I am glad that the agreement that has been reached is a little more conservation-minded than has been the case in previous years, and I am glad too that Mrs Pauwelyn's report seeks to push the Commission even further in that direction.

The report expresses what I think are valid worries about the excessively high levels of catches of both sprat and herring. It refers to these in particular in paragraph 2 and says that even stricter measures may prove necessary in the future.

Mr President, one of the reasons for agreements between countries and also behind a European fishing policy is that catches of fish taken in one country may very much affect the availability of catches for fishermen in other countries and in other fishing zones. Paragraph 6 of the Pauwelyn report refers to this by noting the link between fishing in the Skagerrak and Kattegat and the amount of fish available in Zone IV (b) of the ICES divisions — in other words, off the North-East English coast.

Since reading the Pauwelyn report, I have become aware of new scientific evidence which suggests that the link between the two stocks is so strong that fish-

ing in the Skagerrak and Kattegat has prevented ... predominantly, if not entirely, potential recruits to the North Sea spawning stocks in divisions IV (a) and IV (b).

Indeed, the IC's evidence goes on to say that a ban on herring and sprat landings in division III (a) (Skagerrak and Kattegat) is therefore a logical extension of the present closure of herring fisheries in the north and central North Sea.

I would very much like the Commission to comment on this evidence today. It is not a purely academic matter; it is of desperate concern to fishermen off the North-East English coast who have not been able to fish for herring for several years and whose sprat stocks have also disappeared. So, when this agreement is next considered, I hope that the Commission will take fully into account this new scientific evidence, and I would like the Commission to give an assurance to that effect today.

Mrs Ewing (DEP). — Mr President, to the two reports relating to Guyana and Guinea-Bissau, two of our Lomé countries, I, on behalf of my group, give unreserved support. I think there can be few headings of expenditure that the EEC authorizes which produce such magnificent results in terms of trying to reduce world hunger.

We are only at the very beginning. It is as if we were climbing a very high mountain and have only just taken a few steps. Many more such agreements have to be negotiated. I know the Commission is working very hard on this, and I know it is not easy. At the recent Lomé Assembly in Jamaica, when I was happy that the report I was concerned with was unanimously supported, we had many opportunities to chat with all the Lomé countries. They are desperate for more money to be spent on fishing, and I would again urge that a proper ACP-EEC committee on fishing is needed. There can be nothing as vital in combating hunger as this.

My colleague, Ms Quin, has already put my fears and reservations about the Pauwelyn report and about the link between the stocks, as well as my fears and worries on behalf of the fishermen in my area, some of whom, like Ms Quin's, have not been able to fish for herring in areas where they are totally dependent on fishing, with no hinterland at all, bog or otherwise, that can be cultivated.

I notice that paragraph 3 says that the total allowable catch will not be fixed until May, and I wonder whether the Commission could assure us that before it is fixed, they will consult us on this.

Finally, with regard to Finland — and I am supporting all the proposals on behalf of my group — I would just say that I know that this is really nothing more than a

Ewing

piece of paper, because we are not going to give anything to Finland until the herring quota is fixed at 100 000 tonnes. As this day has not yet arrived, the Agreement is nothing more than an act of piety. But I would again say one word of caution. I know we get certain things from Finnish waters — salmon rights — but it does worry me that we may be thinking of giving the Finns very much here, because there is nothing left in the North Sea to give them.

Mr Battersby (ED). — We have before us today four excellent fishing reports which were passed unanimously by the Committee on Agriculture, and which illustrate by their geographical scope the extent of our responsibilities under the new common fisheries policy. They deal with the Baltic, the North Sea, Community waters in South America and Community fishing off West Africa.

I believe the Blaney report on the fisheries agreement with Finland to be of considerable political importance. This agreement has been on ice since early 1979 and concludes a series of agreements with our northern fishing neighbours, — the Faroes, Norway, Sweden and Finland. By this agreement, we are strengthening our links with Finland and at the same time accelerating progress towards the Community becoming a full member of the Baltic Convention, of which Denmark and Germany have already been full members for many years. I need hardly emphasize the international importance of the Baltic Convention, to which all the Baltic States, including the Soviet Union, Poland and Eastern Germany, as well as the Community, Sweden and Finland, subscribe. I believe we must give the Commission our full support in its efforts to achieve Community membership of this Convention.

A further point is that this agreement is the first instance, in my experience, where an initial framework agreement has been presented to Parliament by the Council for its opinion before, rather than after, the conclusion of that agreement. I hope this will create a precedent and become the standard procedure for the future in all sectors of fisheries legislation as the three Community institutions work together to develop the new common fisheries policy.

Mrs Pauwelyn has drawn attention to the resource conservation problems in the Skagerrak and Kattegat, to the dangerously low level of sprat stocks and to the measures at last being taken to protect the herring. It is about time! We have all been insisting in this Parliament for some years that there is a link between intensive sprat and herring fishing in the Skagerrak and Kattegat and the catastrophic decline in herring fishing in the middle of the North Sea. Scientific evidence is now providing confirmation that our concern is well founded. Conservation measures in the Skagerrak and Kattegat are vital if we are to re-establish the mid-North Sea herring stocks, and we can only applaud the steps now being taken.

Mr d'Ormesson has drawn attention to the need to develop the shrimp-processing and catching industry in Guyana as a local industry. We have been drawing attention to this for four years now, and we know there are very complex local problems; but I urge the Commission, whatever the local difficulties, to prepare their report and present it as quickly as possible.

Finally, Mrs Le Roux has provided in her short report sound guidelines for our approach to the fisheries problem in the ACP countries. Her common-sense approach is eminently practical with its emphasis on small-scale fisheries, training centres, research into marketing, processing and local stocks, and also research into conservation. I hope that the Bureau will approve the preparation of a fuller report on this subject when we make the formal request.

Finally, Mr President, my group will vote for all these reports, and I strongly recommend that the House also votes unanimously for them.

Mr Ortoli, Vice-President of the Commission. — (FR) Mr President, I should like to thank the rapporteurs for the quality of their work and to say to those who took part in the debate that I share most of the concerns they expressed.

In the case of Guyana the Commission has no difficulty in agreeing to draw up the report requested, and I hope that it will be able to submit it quickly to Parliament. This is the report on the shrimp industry.

On the Pauwelyn report, the Commission fully shares the views of those who spoke on the importance of an arrangement for 1983, not only — as you said — on the zones concerned but also on the whole question of fishing in the North Sea. We share this concern and this is one of the reasons why we attach great importance to the result obtained. I would point out that there was in fact a gap in 1981 and in 1982. The arrangements carried out seek to establish a balance between the needs of fishing and those of conservation. This two-fold consideration will remain part of our subsequent activities.

I shall bring to the Commission's notice the remarks made concerning TAC and the value of providing information on any agreements adopted.

As to the use of the evidence or the scientific data which could be obtained, I can assure you that we regard this as an essential element in all the proposals emanating from us.

Mrs Le Roux (COM), rapporteur. — (FR) Mr President, I apologize for not speaking until now, but conditions on a Friday morning are sometimes difficult. This report, too, was submitted under difficult conditions, since, because of the request for urgent treat-

Le Roux

ment, it was necessary to work very quickly. I should like, following Mr Battersby, to put forward some comments and suggestions on behalf of our committee.

The agreement in question contains a number of extremely positive elements, particularly the payment of greater compensation to Guinea-Bissau for the fishing-rights granted to the Community; secondly, the financing of a scientific research programme in Guinea-Bissau's territorial waters, which, moreover, meets the demands put forward by the developing countries at the recent meeting in Jamaica; and finally, the financing of study grants for those training in the Community.

Nonetheless, there are a number of shortcomings which must be corrected in the programmes and in the later agreements, particularly the lack of coordination with the financing from the Development Fund — which is still inadequate where fishing is concerned — the fact that small-scale fishing has not yet received sufficient attention and also the lack of facilities for training African fishermen in their own countries.

Our committee has put forward a number of suggestions, some of which reflect the views put forward by the fisheries rapporteur at the Kingston meeting. It is necessary, I repeat, to improve coordination with the EDF, increase the appropriations from this fund and devote them primarily to small-scale fishing. It is also necessary to promote the regional organization of fisheries in order to ensure the management and conservation of fish-stocks. It is further necessary — and this too has also been expressly requested — to examine the state of stocks in these regions and to give greater weight in fisheries agreements to problems of employment, to the local marketing of products and to storage and processing installations while continuing to give priority to traditional fishing. Again, it is necessary to help finance training-centres in the African countries and to strengthen cooperation policy among the African States with a view both to improving the management of resources and enabling a proper control of catches in the fishing-zones.

The ACP countries are requesting changes in the legal provisions currently in force, particularly with regard to the difficult rule about place of origin, and are basing their request on the recent Conference on the Law of the Sea.

Finally, there are many agreements with African countries. I support the Commission's proposal to draw up a complete report on fisheries relations between the Community and the developing countries. This is something extremely important for these countries as well as for the fishermen of our own regions who fish in these waters.

President. — The debate is closed.¹

¹ For the vote, see Annex.

IN THE CHAIR: MR ESTGEN*Vice-President***4. Role of ports in the common transport policy (contd)¹**

President. — The next item is a continuation of the debate on the report by Mr Carossino on the role of ports in the common transport policy (Doc. 1-844/82).

Mrs Van Hemeldonck (S). — (NL) Mr President, I wish to convey the Socialist Group's gratification at this 'own-initiative' report, which was more than necessary. As long ago as 1976, the Commission submitted to the Council a proposal for a regulation on the granting of aid to projects of Community importance in the sphere of transport infrastructure, and this has still not been dealt with by the Council. The need for such projects, however, is making itself increasingly felt. Our port infrastructures must be aided and developed, primarily in order to keep pace with the growing volume of traffic and of goods transported. If I may just give an example from my own part of the world, Antwerp, this port has seen an increase in the volume of traffic of 6% during the past year. The volume of solid fuels arriving from overseas is constantly increasing, and rose from 1.4 million tonnes in 1966 to 4.1 million tonnes in 1979. During the same period, the amount shipped overseas also increased from 100 000 tonnes in 1966 to 700 000 tonnes in 1979. Difficulties have, however, arisen with the transport of crude oil: arrivals amounted in 1966 to 16 million tonnes, but by 1979 had fallen to 3.3 million tonnes. Naturally, those concerned began to look round for other sources of energy and started importing gas, which rose from 30 000 tonnes in 1966 to 99 000 tonnes in 1977. Plans are in progress for the extension of an LNG terminal.

Mr President, there is already some evidence of a dynamic European port policy. It is of the greatest importance to take account of the particular nature of the hinterland. It is absolutely necessary to improve the accessibility of the Westerschelde and also to install a series of radar stations along its shores. Better connections with the inland waterways system are needed. Equally necessary is a modernization of the railway infrastructure, more particularly the link between Antwerp and Mönchen Gladbach, known as the 'Iron Rhine', which has still not been completely electrified.

Secondly, I wish to stress the importance of the relation between the port and its surroundings and also

¹ See previous day's debate.

Van Hemeldonck

the population, and here the most important question is that of safety. Hence the need to arrive at a harmonization of legislation concerning pilots. The safety problem is also important with regard to the transport of dangerous materials and products and the protection of storage dumps, including LNG terminals.

The question of employment raises a number of problems peculiar to port areas, where labour-intensive undertakings have to be encouraged and good relations promoted with the hinterland in order to keep employment up to the mark.

Finally, there is the difficult problem of workers's safety. There are still too many accidents at work in and around the ports.

Mr President, if no Community policy is achieved in this field, there will be no transparency possible in the administration of port infrastructures, and these will then be inevitably subject to a spread of private ownership. If the ports have no more public facilities to offer, we shall have no more Community facilities, and then there will no longer be any free, autonomous, open ports, which, after all, is one of the aims of a European port policy.

Mr Cottrell (ED). — Mr President, first of all I pay tribute to the rapporteur, who has, I think, produced a very precise and clear document in response to a motion for a resolution submitted by myself calling for the creation of a Severn estuary port zone.

I shall not weary the House too extensively with my own constituency difficulties, save to say that Mr Carossino has taken up and amplified the point which I submitted in my original draft.

This deals with the extraordinary situation which has arisen on the Bristol Channel, and which is reflected in other parts of the Community, namely, that EEC port investments, diverted through the instrument of the Regional Fund, can actually create a disadvantage. It is a grotesque and unfair distortion of competition that my port in Bristol is the only one of a whole string of ports on the Bristol Channel which has no access to EEC funds. This amounts to discrimination against a port which has heavily invested in its own future without the help of a penny of taxpayers' money.

When the House comes to vote on this report, and particularly the amendments submitted by Mr Lalor, I hope they will consider the original proposition that Mr Carossino was asked to work on—namely, that if an EEC port investment policy is to be fair, then if a situation arises of competing ports on the same estuary not receiving equal access to Community investment, it is time to change the rules.

I have asked for the creation of a Severn estuary port zone, and if the House approves this report, as I

believe it will, it will represent a powerful battery of ammunition for people like myself to argue with our own government and with the Commission in Brussels for a change in the way the rules operate at the moment. I think this is fair and I think it is reasonable to make this point.

I suggest to Members of this House that this is yet another example of the way in which an ill-thought-out and ill-conceived regional policy can actually create a situation in the transport industry which is neither fair nor equitable.

Mr Bangemann (L). — (DE) Mr President, the Community's ports policy is a good example of how such a policy may encounter opposition of various kinds — that is to say, not only opposition in the Council of Ministers, which we all deplore and are trying to break in a variety of ways, but also from those directly concerned.

One has to say that this seaport policy has not been encouraged by the ports themselves — at any rate, not by those ports that have so far found the present unregulated situation profitable with regard to improving their chances of competition. I am aware that the Commission has for some years been trying to carry out a preliminary study of the problems in a joint commission including seaport representatives. When one talks to such of these representatives as would be interested in a European transport policy, one sees that in this commission the seaports have been putting up skilful opposition. Efforts were made to give the commission something to do, and the commission duly complied by employing a large number of persons in the preparation of statistics; but the fact of the matter is that none of the ports thus represented and employed is interested in a common European seaport policy.

We could, of course, consider abandoning the task and ask ourselves why we should bother ourselves about it when those concerned are not interested, but that would be a wrong conclusion to draw. First of all, there are not only seaports whose chances of competition stand to gain from the present situation but also those that suffer disadvantages. These are mostly situated in regions which in any case are disadvantaged by virtue of their economic situation and not just that of transport. That is to say that, here too, we have a rich man's club and a poor man's club.

When discussing seaports policy, we must not limit ourselves to considering Rotterdam, to take an example from Holland: Rotterdam is an excellent port where, naturally, people say, what do you want a seaport policy for? — everything is alright as it is.

If you talk to other ports which have also profited from the present situation and from their own activities, you find the same view expressed; but go to Tri-

Bangemann

este — to mention a port which, although excellently equipped and anxious to make every possible effort, is less favourably situated and has no hinterland but, nevertheless, is capable of playing an extremely important role not only in its own region but in European transport as a whole — and then you will find such ports have good reason for complaining of the lack of a seaports policy.

There are, however, problems for some ports with a better record. I have in mind, for example, the distortions of competition that arise from differing régimes of taxation or State subsidies. Here there is much to be done if we are to introduce a common transport policy in this sphere. It has already been said that the Community could exercise a positive influence on certain transport arrangements that are there to ensure the safety of sea transport.

What I want to say, therefore, is that the Commission should abandon its cautious attitude. Perhaps its initial conception has, indeed, been a little too ambitious; it wanted to elaborate a big plan covering everything, and that naturally requires a great deal of information and time. But, as always happens in such cases, small, practical steps have more effect and are the beginnings of a policy that has yet to be worked out.

I would point out that this is not just a matter of transport, sea transport, alone: there are many other things connected with it. A port is not just a transport installation but is always a nucleus for industrial development. It serves a wide variety of purposes. It offers an opportunity for the development of ancillary trades which are important — for example, the possibility of developing a base for fisheries or for passenger cruises. Ferry traffic can be improved with a sensible seaports policy, and a number of other things besides.

On behalf of my group and, above all, Mrs von Alemann, who regrets that she could not make this speech herself, I congratulate the rapporteur on his attempt to make further progress, and I urge the Commission to be less ambitious and all-embracing but more emphatic and attentive to detail in opening up a new chapter in the history of European transport policy.

Mr Habsburg (PPE). — (DE) Mr President, in his excellent report Mr Carossino, in paragraph 86 of the explanatory statement, points out that on the Atlantic coasts of the EEC in particular we have not developed any port strategy at all, and reference has already been made to the fact that the accession of Spain and Portugal will, so far as our ports are concerned, add a very big new dimension. Here it must be admitted that so far the Community has done nothing at all.

In this connection, I wish to draw attention to Spain's development of her port policy and, in particular, to the remarkable potential of the port of Bilbao, which, according to plans now laid before the Spanish

Government, is to be very considerably extended. Consequently, and precisely because of the possibility — indeed, we hope, the certainty — of Spain's accession, we should immediately get in touch with the Spanish authorities with a view to developing a genuine overall port strategy for the European Communities and so ensuring that this development of the port of Bilbao, which will exercise a powerful effect upon whole areas of Western Europe, can take its proper place in the Community's plans as a whole. There is already a danger here of planning errors due to a lack of information on either side, and it would be much more sensible to hold preparatory talks without delay. I say this particularly as I know from the authorities responsible for planning in Bilbao that they would be very prepared to consider matters of European concern and only too happy to share the work of planning in this field with other European authorities.

That is the point I wanted to stress. We must devote all our energies to ensuring an all-embracing approach to the planning of our ports, and in conclusion I wish to thank Mr Carossino expressly for the clear and decisive manner in which he has tackled this question.

Dame Shelagh Roberts (ED). — Mr President, if there are any Members present this morning who were Members of the former nominated Parliament — I was not myself, but I have done some research into ports policies — I think they will feel, as possibly the chairman of the Committee on Transport, Mr Seefeld, must be feeling, that this report and discussion have a familiar ring. It is now over ten years ago since Mr Seefeld produced a report on ports policy. It was adopted by Parliament and welcomed by the Commission, and all that has happened since is that a committee was set up — the classic way of doing nothing and burying a subject. I hope very much that that is not going to be the outcome of this very valuable report produced by Mr Carossino.

It does seem to me imperative that Parliament and the Commission should recognize that the ports of the Community are Community assets, not just assets of the country in which they are located. Indeed, in many instances, they are a greater asset to some of the countries who trade with that country than to the country itself. If I may draw on my own experience as a former member of the board of the Port of London Authority, I have seen there how a valuable national and international asset has been run down by lack of adequate investment in infrastructure and by lack of adaptability to technological change. These are aspects which are brought out in Mr Carossino's report, and I hope very much that on this occasion the Commission will take the report seriously and that we shall see some action in the field of transport, which is in parliamentary terms a generally neglected area.

(Applause)

Mr Janssen van Raay (PPE). — (NL) Mr President, ladies and gentlemen, I have especial pleasure in saying a few words about the Carossino report, which we Christian-Democrats fully support. My main reason, however, for asking for the floor, Mr President, is that I want to reply to a few remarks just made by Mr Bangemann.

If one asks oneself what a European seaport policy in the true sense of the word must be, one finds that it can only be a European policy relating to the loading and unloading of ships in seaports. That it is not, and I doubt whether such a policy can be achieved. On this point I agree with Mr Bangemann, inasmuch as he pointed out the reluctance of some of the big ports to see a Community policy realized.

The ports situation is, ladies and gentlemen, of course a European one. Mr Bangemann mentions specifically the port of Rotterdam, and I come from Rotterdam. Let us be honest: Rotterdam is a German port, and that signifies the European scale of the situation. The Federal Republic did not decide for narrow chauvinistic reasons that goods coming into Germany must pass through ports on German territory. No, the geographical situation was taken into account and Rotterdam has become a German port. There is therefore a natural distribution of ports — I have taken Rotterdam as an example, but we could, of course, take the Irish ports or those round the shores of the Mediterranean. This geographical situation must be taken seriously, and a realistic policy with this as its basis naturally has our support.

Fortunately, Mr Carossino has understood port policy to mean something much wider, just as I do, and in this he has our full approval. He has taken the word 'port' as a key word standing for a safety policy — the safety of vessels — a policy of employment within ports, a social policy for ship's crews, etc., and, he adds, for a fiscal policy. In other words, his report deserves universal support, because he has taken the word 'port' as a key to the many different connections that this word suggests. I repeat, a European ports policy in the sense that some European authority is ever created to decide autonomously how the flow of goods from and into Europe should be distributed, a planned situation — that I cannot see happening. The determining factor has to be competition based on natural considerations. All the other aspects presented here, however, have our willing support.

Mr Seefeld (S), chairman of the Transport Committee. — (DE) ladies and gentlemen, at the end of this debate I wish to thank all those who, last night and this morning, have contributed to the discussion. The large number of speakers and also the fact that some of them are not directly or regularly concerned with the Transport Committee demonstrate the importance of the subject and the interest taken in it.

As regards the history of the European seaports policy — by now I can call it that — I would point out once more that as long ago as 1961 our Dutch colleague Mr Kapteyn made a thorough presentation, for the first time, of fundamental questions of European policy, on which occasion he named seaports policy as an important element and urged that it be incorporated in the European transport policy.

Since then, this subject has cropped up repeatedly in the work of the Parliament. In 1967, it was taken up in a further report by a German colleague, Mr Seifritz, from Bremen. Finally, Dame Shelagh Roberts and, last night, Mr Albers were kind enough to refer to a report debated in this House fully 10 years ago.

Ladies and gentlemen, it is sometimes a good thing to re-read old documents. Allow me to quote a couple of points from that report. This House came in 1972 to the following unanimous conclusions:

So far it has not proved possible to introduce a truly coherent common transport policy as agreed upon in Article 74 of the EEC Treaty. This fact, 15 years after the Treaty of Rome entered into force, must be regarded as a serious failure on the Community's part.

Now, ten years later, I need only alter the figure from '15' to '25' to make the statement applicable to today. When it was written, we found that one of the main difficulties in this field was to be seen in the fact that almost every detail of a common transport policy in the railway, road and inland waterway sectors affects, directly or indirectly, competition among the European seaports.

That, too, is still true today, and will remain so even if a number of seaport representatives take the view that we should do as little as possible. There are people who believe that Brussels wants to regiment everything: that is not true, and I refuse to accept it.

Any and every proposal relating to the common transport policy has some bearing on the affairs of our seaports. Whether it is a matter of deciding on new traffic-routes, breaking down transport costs by mode of transport, discussing access to enter the market, regulating prices or settling questions of taxation, social or technical harmonization, always, believe me, a problem connected with the ports crops up somewhere.

You may be quite sure that we are not looking for work. It is high time we recognized the need to think of transport at the Community level, and this, quite definitely, includes a ports policy. On behalf of all of us, I thank Mr Carossino once more very heartily, I urge you to adopt his report and hope that it will prove more successful than the one I submitted to this House ten years ago.

President. — The debate is closed.¹

5. Transport organization

President. — The next item is the report by Mr Carossino, on behalf of the Committee on Economic and Monetary Affairs, on a more rational transport organization (Doc. 1-967/82).

The debate also includes the oral question by Mr von Wogau and others, on behalf of the Group of the European People's Party (Christian-Democratic Group) to the Commission (Doc. 1-1284/82):

Subject: Taxation of passenger roadtransport by road within the Community

In creating a Common Market with conditions equivalent to those of an internal market, the abolition of all obstacles at internal Community frontiers is of vital importance. One instance of this concerns the point of collection of turnover taxes on internal Community road passenger transport services. Passenger transport services should therefore be taxed in the country of departure for that part of the journey taking place within the Community.

1. Does the Commission consider the transitional provision laid down in Article 28 of the Sixth VAT Directive, whereby individual Member States may tax passenger road transport services from the point where they cross Community internal frontiers, or not, as they see fit, as conducive to integration and liable to bring a single market closer?
2. Is the Commission aware that as from 1 October 1982 Denmark is following the example of Belgium and the Federal Republic of Germany in taxing passenger road transport services within the Community from the internal frontier?
3. Did the Commission submit the report on turnover-tax harmonization pursuant to Article 28(4) of the Sixth VAT Directive in good time to the Council before 30 June 1982?
4. Has the Commission prepared a proposal for the Council on final provisions for the taxation of passenger transport within the Community pursuant to Article 28(5) of the Sixth VAT Directive, which stipulates that passenger transport shall be taxed in the country of departure for that part of the journey taking place within the Community? If not, why not?

The rapporteur has told me that he has nothing to add to his written report.

Mr Albers (S). — (NL) Mr President, in its communication to the Council of 10 February 1983, on progress towards a Community transport policy, the Commission observes that efforts in this direction has so far had little success.

That is true. In fact, we still have in this sector ten national markets, each with its own characteristics, and in these national markets, policy is still, according to the Commission, based on the model of the 1930s. That, too, is true. It can be seen in the big differences in taxes, levies and excise duties imposed on the different forms of transport, resulting in distortions of competition. These duties are not based on the relative cost of transport to the public — which should, of course, be worked out properly and fairly — but are a function of the need to balance the national budgets.

Differences among Member States are considerable and lead to obstacles and delays at frontiers. They also lead to a waste of energy, since the shipper's choice of form of transport is determined, not by considerations of efficiency, but to a great extent by the cost, which is worked out in very unsatisfactory fashion and is further obscured by the question whether infrastructure costs have or have not been fully included. As the economic situation deteriorates, the manner of fixing the level of these levies becomes more arbitrary. Even today, we find that these anomalies and obstacles are increasing.

In his report, Mr Carossino has gone through all this once more, and he comes to the conclusion that the decision-making bottleneck at Community level must be eliminated. At various summit meetings, the Heads of Government of the ten Member States have urged the need for strengthening the internal market and removing obstacles to trade among the Member States. The present fall in the price of oil presents an opportunity for correcting differences in the duties on motor-fuel and so achieve a homogeneous transport market in the Community. In the Socialist Group's view, this should provide a powerful stimulus to improve the employment situation in the various forms of transport, while more attention can also be paid to the technical and safety aspects.

We shall voting for the Carossino resolution, since we are in favour of rationalizing the organization of transport on a Community basis.

Mr O'Donnell (PPE). — Mr President, at the outset may I sincerely congratulate Mr Carossino on another excellent report on a subject which is of vital importance to the development and progress of this Community.

¹ For the vote, see Annex.

O'Donnell

This report by Mr Carossino relates to a motion for a resolution tabled by Mr Hoffmann on behalf of this group. The report before us is, I think, a very valuable addition to the long list of reports on various aspects of transport policy which have come before this Parliament down through the years. It is indeed regrettable and indefensible that so much real and solid work in the field of transport, should, over the years, have produced so few tangible results. It is little wonder that the Committee on Transport, through sheer frustration, has taken the unprecedented step of bringing the Council before the European Court of Justice.

There is no doubt whatsoever that the degree of efficiency in the transport sector influences the level of development of primary resources. It also determines the nature and level of a country's export potential. In this particular report, Mr Carossino highlights the need for action in two areas of transport policy which could contribute greatly to a rationalization of the Community's transport organization. The report emphasizes the need for energy-saving in the transport sector. It also raises the very important question of the harmonization of taxes and duties on motor-fuels. These two issues are of vital importance for the implementation of a coherent and rational Community transport policy.

The need for action on energy-saving in the transport sector is one of extreme urgency, and this fact has been emphasized again and again in various debates in this Parliament. The Transport Committee held a public hearing on this subject in November 1980 in Brussels which was attended by 15 representative organizations. The conclusions of this hearing were incorporated in a report drawn up by the Transport Committee and subsequently adopted by this Parliament. The Commission stated, at that time, that it was prepared to give serious consideration to the recommendations and that specific proposals could be expected fairly soon. In respect of energy-saving in the transport sector, therefore, I look forward to hearing from the Commission what progress has been made in relation to the recommendations received from Parliament.

The harmonization of duties and taxes on mineral oils is also, of course, a matter of very special significance. It cannot be denied that there are enormous variations and discrepancies in taxation on motor-fuels in the various Member States. The comparative analysis on page 21 of the Carossino report clearly illustrates the variations from one Member State to another.

My own country of Ireland is now, unfortunately, at the top of the league. We have the highest petrol and diesel prices in this Community, and we also have the highest level of fuel taxation. This places our transport and our exporters at an enormous disadvantage *vis-à-vis* their counterparts in other member countries. Added to this, in Ireland we have very high rates of duty on imported vehicles and spare parts. Commer-

cial transport costs in Ireland are reckoned to be over 20% higher than in Northern Ireland and in the UK. Of course, we also suffer from the problem of remoteness from the heart of the European mainland. Ireland and, indeed, other peripheral countries suffer from enormous disadvantages in respect of the high cost of fuel, the high level of taxation, excise duties, etc.

Clearly there is a need for Community action towards harmonization of taxes and duties on fuel and vehicles. I therefore fully support the Carossino report and hope that the Commission will take appropriate action on the recommendations contained therein.

Mrs Le Roux (COM). — (FR) Mr President, I am speaking on behalf of my colleague, Maurice Martin, who has had to leave.

The debate on a more rational organization of transport systems is of the highest importance in view of the harmful distortions of trade caused by the differences in transport policy among the Member States of the Community and also because the amount of energy used in transport is itself important. We welcome the fact that the large number of points raised in Mr Carossino's report and the proposals it puts forward provide an occasion for putting our thoughts on the matter more clearly. The French members of the Communist and Allies Group share the rapporteur's preoccupation with achieving substantial energy-saving through a more rational transport policy. We are aware of the impact which a progressive harmonization of the excise duties levied on mineral oils and of such technical matters as the weight and dimension of vehicles could have on reducing excessive disparities in cost. Among the various means which are ideally suited to energy-saving, we realize the potential role which certain new infrastructures of Community interest can play. Obstructions, delays and traffic-related losses of earnings due to certain bottlenecks should be a cause of constant concern in our efforts to organize transport more rationally. Nonetheless, we are convinced of the need to consider how the volume of transport is distributed among the different modes of transport; as regards the total amount of energy used for transport purposes and in particular the amount of oil consumed, it is important to compare the amounts of energy used by different types of transport. The citizens of Europe should be made aware of the fact that of the total amount of energy used in transport — which amounts to 25% of all the energy consumed — more than 75% is used by goods transport on the roads and only 8.8% by the railways. The proportion becomes even more startling when we consider passenger transport: 94.6% of the energy is used on the roads and only 5.4% on the railways.

The significance of these figures is all the more serious when one remembers that, all forms of transport taken together, 96% of the energy consumed by transport comes from oil. This situation is at the very heart of

Le Roux

the problem we are dealing with today. Any real cohesion between our transport systems must be primarily looked for in this distribution of loads among the various modes of transport and, therefore, in the search for possibilities of intermodal substitution between road and rail.

Let me state, at this point, that I am both sceptical and uneasy at the way we are being urged to resort to free competition. At no time has evidence been offered to prove that greater competition in the transport sector will lead to greater energy-saving. On the contrary, I could provide ample proof of the opposite effect brought about by the unbridled competition which most of our countries have developed as though it were a matter of self-evident economic truth. The imbalance between rail and road transport which I referred to earlier is one of the most important arguments against the unbridled competition practised in recent years. Was not the fact that our governments and the Community institutions for years deliberately ignored the possibility of an increase in oil-prices the result of blind or short-sighted competition? Whether because they were blinded by profits or because of their political shortsightedness, our governments failed to draw up an energy — hence also a transport — strategy to take account of the easily foreseeable increase in prices.

For these reasons we welcome the framework law on internal transport recently drawn up by the French Government, which for the first time lays down the principle of controlled competition and complementarity between different forms of transport. The French members of the Communist and Allies Group regard this as the best means of achieving optimal rationality in transport systems. We shall continue to work for the achievement of this goal.

Mr Rogalla (S). — (DE) This is the third time this week that we have to concern ourselves with the internal market, transport matters and obstacles to frontier traffic. Still, we were promised on Tuesday by the Foreign Minister in person — the one who at the moment is President-in-Office of the Council — that he personally would speak to the President of the French Republic about the impediments to frontier traffic, the business of measuring the amount of diesel oil contained in fuel-tanks and the forms that bus-drivers have to fill out.

That is how far we have got with the unification of Europe! The stupid restrictions, diesel checks and other administrative thumbscrews are still there, and we parliamentarians, who so often get a reputation for running our heads against the rubber walls of the authorities, the experts, must protest again and again, and it is not too much if we do so now once more. In this field, which is partly covered by the Carossino report, the Commission, as long ago as 9 August 1973 — that is to say, almost ten years ago — submitted a

proposal for a directive on the harmonization of taxes on consumption of mineral oils.

The economic arguments, the costs that arise here, are simply brushed aside by the experts. Mr Carossino's report, drawn up for the Committee on Economic and Monetary Affairs, concentrates its attention on transport matters, and every experienced observer of the Community knows that in this field only one principle applies: abandon hope!

The Parliament has had to take the Council to court in order to get anything done at all in this field. Now an attempt is being made to shoulder the ordinary citizen with the difficulties that result when experts, meeting behind closed doors, fail to agree. The anachronism of diesel checks still takes place at all frontier crossing posts, and that has to stop. Mr O'Donnell has pointed out how wide the range of tax-levels is for motor-fuels: these levels may vary by as much as 50% or more between one type of fuel and another.

At present I am occupied with the question of tax harmonization as rapporteur for the Committee on Economic and Monetary Affairs, and I should like to take this opportunity of saying something about this difficult task. The Parliament will devote all requisite attention to this matter when it comes to calling on both Commission and Council, in the sphere of tax harmonization, to follow up various initiatives with deeds that really mean something.

We parliamentarians refuse to have any part in this penal campaign against the ordinary citizen, in which petty administrative restrictions continue to operate. We shall fight this wherever we can, even if it is almost too late. We are glad to find ordinary citizens of the Member States on our side: without the press and public opinion, these problems will never be solved in the face of opposition from the experts.

We are wholeheartedly in favour of Mr Carossino's report, even if I personally find that, in view of the seriousness of the situation and the provocations to which the Community citizen is still exposed, it is much too mildly worded.

Mr Buttafuoco (NI). — (IT) Mr President, ladies and gentlemen, I can say straight away that our group fully supports this document submitted by Mr Carossino. I should, however, like to say here that the massive participation by the Transport Committee in the previous debate and in this one shows that it has become the critical conscience of the European Parliament and of the other institutions as regards the lack of a common transport policy. If such a policy had been achieved, we should have had neither reason nor opportunity for discussing these problems, which should have been resolved long ago.

Hence the full justification for our legal action against the Council. The progress made by the Community

Buttafuoco

and its productivity depends, admittedly, on a number of different sectors, but above all on its network of communications and the possibility of achieving adequate profit margins.

The transport sector is the vehicle of such a policy, and rightly so, since it accounts for a large part of the energy consumed in the Community; but if, as maintained in the report, we could rationalize such basic sectors, we could mitigate this very important factor, which accounts for 45% of the Community's total energy consumption. Other promising remedies suggested in the report include measures to improve the chances of competition and make them equal for all transport undertakings operating within our Community. Another is the harmonization of VAT and of taxes on fuels. Yet another advocated so many times in the Transport Committee, particularly by the Italian delegation, is the harmonization of regulations governing the weights and dimensions of heavy vehicles circulating in the Community, which would make possible a greater transparency of the market and, as a logical result, a certain market stability.

Having drawn attention to these considerations, I reiterate the full support of our group for the hard work done by Mr Carossino.

Mr Giolitti, Member of the Commission. — (IT) Mr President, first of all I wish, on the Commission's behalf, to join previous speakers in conveying our appreciation and gratitude to Mr Carossino for his report. I also wish to express my personal appreciation of the contribution made by speakers in the debate to the examination of this important question.

As regards paragraph 1 of the motion for a resolution, the Commission is drawing up a report, accompanied by an action programme, on the subject of energy savings and so complying with the European Parliament's request contained in its resolution of October 1981. This report will be submitted to the Council at the end of this month.

With regard to the difficulties besetting frontier traffic within the Community, the Commission submitted to the Council, in April 1982, a draft directive designed to speed up the formalities for goods transported from one Member State to another. This proposal also concerns an essential part of the policy for improving the conditions of the internal market.

The Council of Ministers was not able to complete its examination of this *dossier* by the part-session covering 16 December last. Nevertheless, considerable progress was made at the working-group level, and the Commission hopes to put this draft directive in final order during the first six months of this year.

With regard to paragraph 9 of the resolution, concerning the quantity of duty-free fuel contained in the

tanks of motor-vehicles, the Commission proposed in 1974 modifying Directive 68/297 so as to raise the amount of duty-free fuel from 50 to 100 litres. Notwithstanding numerous discussions within the Council, the proposal has so far been rejected by one delegation. More recently, a proposal for the admission of 100 litres of fuel duty-free has been submitted to the Council as part of a Council regulation on Community-wide exemptions from customs duties.

The Commission's proposal on weight and dimensions of commercial vehicles was discussed by the Council on 16 December 1982. The President-in-Office has undertaken to intensify his own efforts to get this proposal approved. The Commission, of course, will do what it can to help.

I now come, Mr President, to the oral question, and here I shall refer specifically to the four points raised.

In the first place, the Commission is aware that the fiscal régime applicable to the carriage of persons by road within the Community is far from satisfactory. Since those Member States that wish to do so may continue to dispense with these transport taxes, those that do not cannot be required to adhere to a uniform mode of taxation.

Secondly, the Commission is aware that at present three Member States apply a tax to the distance covered on their territories. The principle of this is in conformity with the provisions of Article 9 (2) (b) of the Sixth Directive.

Thirdly, owing to a shortage of staff in Division IVA, the Commission was unable to submit its report on the application of the temporary provisions laid down in Article 28 (4) of the Sixth Directive by 30 June 1982. This report was transmitted to the Council on 17 January 1983.

Finally, the provisions of Article 28 (5) of the Sixth Directive can only be applied when the principle of taxing passenger transport between Member States of the Community has been accepted by all the Member States. The principle of imposing the tax in the country of departure presupposes a renunciation not only of the exemptions at present practised but also of a zero-rate tax. Until this happens, it would be premature for the Commission to submit a proposal on the mode of application of a principle which can only become fully applicable when the provisional arrangements have ceased to apply.

President. — The debate is closed.¹

¹ For the vote, see Annex.

6. *Emergency aid to Vietnam*

President. — The next item is the report by Mr Deniau, on behalf of the Committee on Development and Cooperation, on the granting of emergency aid to Vietnam (Doc. 1-1270/82).

Mr Bord (DEP). — (FR) Mr President, ladies and gentlemen, as my friend Mr Deniau could not be here this morning, he instructed me, under Rule 87 of the Rules of Procedure to request that his report on emergency aid to Vietnam be held over until 13 April, the Wednesday of this next part-session. It appears — I use the word 'appears' advisedly — that all the political groups and the Commission have approved this request.

There are two reasons for the postponement. On the one hand it would give the Political Affairs Committee, which has been asked for its opinion, the opportunity of considering the new text from the Committee on Development and Cooperation, and on the other it would enable Mr Pisani, who has had to remain in Brussels today and who is very anxious to take part in this debate, to be present. Therefore, Mr President, I ask all my colleagues to support the request for postponement which I am tabling on behalf of the rapporteur.

President. — Mr Bord, you are required to state at which part-session you wish the report to be taken, but, under Rules 55 and 56, you cannot request a specific day.

I call Mr Habsburg on a point of order.

Mr Cohen (S). — (FR) I asked to speak even before Mr Bord. You had no right to call him before me.

President. — Mr Cohen, a procedural motion may be tabled in two ways: orally or in writing. Mr Habsburg requested in writing to speak on a point of order.

Mr Habsburg (PPE). — (DE) Mr President, unlike my friend Mr Bord, I wish to move the reference of this report to committee. There are 21 amendments tabled. In addition, there is an opinion from the Political Affairs Committee which is in complete contradiction to the report and which has not been taken into account. It is extremely unlikely that the Political Affairs Committee will modify its attitude. I think the entire report should be worked over again in committee and submitted to us in revised form.

Mr Cohen (S). — (FR) Mr President, I request you to establish whether there is a quorum.

(Nine members rose to support Mr Cohen's request)

Mr Habsburg (PPE). — (DE) I only want to ask whether a verification of the quorum is possible in connection with procedural motions.

President. — Mr Habsburg, I think a Member can ask at any time for the quorum to be verified provided he has the support of ten Members. I fail to see how that can be prevented.

(The quorum was not established)

Mr Bangemann (L). — (DE) Your interpretation of the Rules of Procedure is undoubtedly correct: when verifying the quorum, there is no distinction between procedural motions and substantive matters. May I point out, however, that, having established that there is no quorum, you are required by the Rules of Procedure to put both motions to the House on the Monday of the next part-session. Only then can we vote on Mr Habsburg's procedural motion, which would make a bigger change than the other proposal.

President. — I agree with you, Mr Bangemann, that Mr Habsburg's motion goes further than that of Mr Bord's and will therefore have to be put to the vote first and that, since we have now established that we have no quorum, that will have to be done on the first day of the next part-session.

Mr Fergusson (ED). — On a point of order, Mr President. Members are probably aware that Mr Deniau is working with us here with the shadow of the tourniquet hanging over him rather like a guillotine or the sword of Damocles. I wonder whether we could have an assurance from his colleagues that if it is referred to committee, or deferred to the April part-session, Mr Deniau will be with us right up to the moment when this report is either killed or sees the light of day.

President. — That was a political point and not a point of order. I therefore cannot take it into consideration.¹

7. *Adjournment of the session*

President. — I declare the session of the European Parliament adjourned.

(The sitting closed at 12.20 p.m.)

¹ For items concerning membership of Parliament, verification of credentials, motions for resolutions entered in the register under Rule 49, time-limit for tabling amendments, forwarding of resolutions adopted during the sitting, and dates for the next part-session, see Minutes.

ANNEX

Votes

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

VERONESI REPORT (Doc. 1-1315/82: Crude oil savings): ADOPTED

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DIANA REPORT (Doc. 1-1175/82: Indicator substance in milk): ADOPTED

The rapporteur spoke:

- *for* Amendment No 2; and
- *against* Amendment No 4.

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HOOPER REPORT (Doc. 1-1187/82: Liquid containers): REFERRED TO COMMITTEE

The rapporteur spoke *against* all the amendments.

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SCHLEICHER REPORT (Doc. 1-1207/82: Labelling of foodstuffs): ADOPTED

The rapporteur spoke *against* all the amendments.

Explanation of vote

Mrs Squarcialupi (COM), in writing. — (IT) My vote in favour of this resolution is an expression of great bitterness, for with this directive — fortunately deferred indefinitely — the Commission has attempted to create a diversion with respect to the Council's failure to adopt the draft directive on misleading and unfair advertising, where interests have been unleashed which do not correspond to those of European consumers.

The directive we have rejected is, in fact, a motley collection of specific cases which would leave the door open for manufacturers to amuse themselves by finding other formulae that are beyond the reach of the directive. In this way, the consumer would have no protection, particularly as in this directive everything is prohibited and at the same time everything is allowed.

Take, as an example, the ban on statements capable of evoking or exploiting a feeling of fear or anxiety. Such statements would be banned, but not those capable of exciting pleasure, love, affection, a feeling of security, like those about smoking or about drinking

alcohol or, again, about products possibly of excellent quality that have nothing to do with feelings at all! As another example, I would cite the confusion that arises over the 'natural' character of a product which is the subject of many confused notions about processing methods, additives, whether natural or other, or methods described as traditional which are not necessarily natural because of that.

What are we to say about recommendations and prizes? Claims to supply a royal household are not a scientific proof of merit but only a mark of snobbery or fashion. Recommendations and prizes should be awarded by bodies recognized as competent in this field by the public authorities.

Again, what are we to say of the novelty of products that are supposed to last 18 months? In actual fact, too many markets are in a state of continual change: fashions, for example, can change three times within 18 months.

Finally, there is the problem of guarantees, which would be based on nothing more than a declaration by the manufacturer instead of being founded on objective and precise information. In a word, this directive, which has fortunately been rejected, is nothing but a mass of contradictions. It would ill become us to impose it today on consumers who, already menaced by inflation and a reduction in purchasing-power, are insisting on knowing where they stand with regard to everything on the market — food products and everything else.

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MERTENS REPORT (Doc. 1-1188/82: Irish bogs): ADOPTED

The rapporteur spoke:

- *in favour* of Amendments Nos 3, 5, 6 and 7; and
- *against* Amendments Nos 1, 2 and 4.

Explanations of vote

Mr Pearce (ED). — I rise to support the preservation of the Irish bogs. For your convenience, Mr President, I shall be brief.

To every visitor to Ireland I say, go to the bogs, relieve the tensions of life there, shut out the modern world, closet yourself in the special world of an Irish bog with birdsong and the fragrance of blanket-bog vegetation all around, and water gurgling beneath your feet! On my last visit to Ireland, after a busy week, I made time to go to the bogs. There, I watched a man who had been cutting turf, flushed after his exertions, evidently nursing some deep private sadness. There in the words of one of the poets — I forget whether it was W. B. Yeats — there he sat broken-hearted in the bogs. It brought home to me all of the greatness, the sadness, the beauty, the timelessness of the bogs of Ireland — a moving experience indeed. I hope this may be preserved for ever. I shall support the motion, Mr President.

(Laughter and applause)

President. — I had an opportunity yesterday of hearing lyrical outpourings on this subject, and I am glad to hear that such a thing is possible.

Mr McCartin (PPE). — I thanked Mr Muntingh for his initiative and I congratulated the rapporteur on the fine work he had done. I said I had amendments which were very important. I spoke about bogs at that time and what I thought of the importance of their preservation.

Today I requested this Parliament to give its support to one amendment, which was that Irish farmers should not be asked to surrender part of the money which they get in assistance for nature conservation. That is to say, the smallest farmers in Ireland, those with the lowest incomes and who farm bad or impossible land, are being asked to surrender part of the money they are getting from this Community for the preservation of bogs for the enjoyment of everybody. I must say I feel the Parliament has made a serious mistake and because of paragraph 6 — and only that paragraph — which says that we must reduce aid to those with the lowest income, the weakest section of all in this Community, for the enjoyment of the majority, it is with sincere regret, Mr President, that I must vote against this motion for a resolution.

Mr Lalor (DEP). — I have already spoken on this issue, but I put my name down for an explanation of vote because I was afraid the House might decide to refuse to provide finance for carrying out the preservation that the House so dearly wants and to which I fully subscribe. I would dearly love to see this huge area preserved as Mr Muntingh wants it, but there are other things that the Irish people need to do with it. (*Laughter*) I was listening to Mr Pearce. He has this beautiful picture of all Irishmen sitting on the bog, drowsing and browsing.

(*Laughter*)

If Parliament wants this conservation, it should in some way provide the assistance and the means to prepare for it; but Mr Pearce and his colleagues voted against the provision of money for so doing, and, that being so, I cannot go along with this measure. I regret it, because many of these things — not all of them, like Mr McCartin — I would like to support and I spoke on them yesterday. I am sorry the House could not accept the two amendments from my group which covered the actual spending of money on it.

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PERCHERON REPORT (Doc. 1-1200/82: Energy policy): ADOPTED

The rapporteur spoke:

- *in favour* of Amendments Nos 7, 8, 9 and 13; and
- *against* Amendments Nos 1, 2, 3, 4, 5, 6, 10, 11, 12 and 14.

Explanations of vote

Mrs Viehoff (S). — (*NL*) Part of my group will be voting against Mr Percheron's report. We have serious reservations about the passage which says that Community production of nuclear energy should be increased, and we have tried by means of an amendment to get this passage deleted. In our view, not one nuclear power-station more should be built until they can be considered safe and the problem of nuclear waste has been solved. Not only that, however: we are also opposed for economic reasons. In view of the tremendous burden of debts borne by Electricité de France (EDF), which has risen to 150 000 million francs, the 29% increase in electricity tariffs, and the fact that the French State grants an annual interest-free loan of 2 500 million francs to the EDF, simply because of the latter's nuclear energy programme, we find it irresponsible to call for an increase in nuclear energy at a time when we have to invest in other undertakings in order to cope with the tremendous amount of unemployment in the Community.

Mr Damette (COM). — (*FR*) When I spoke in the debate on this report yesterday evening, I stated that the way the French Communists would vote would depend on the

acceptance or rejection of their amendments, in particular Amendment No 7, which sought to amend paragraph 15 in such a way that preference would be given to ACP countries over South Africa where trade in coal is concerned. Although I was pleased to find that the rapporteur was in favour of the amendment, its rejection by the majority of the House appears to me to be highly significant and is a clear indication of its general attitude.

This appears to me to be all the more serious in view of the fact that recently, at its meeting in Kingston, the Joint Committee repeated very firmly its condemnation of *apartheid* and its determination to apply sanctions. Now a majority in this House has not only turned its back on the Kingston resolutions but has gone much further and taken the view that it is preferable to trade with South Africa than to cooperate with the ACP States. In view of what has taken place, we shall abstain on the Percheron report.

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THÉOBALD-PAOLI REPORT (Doc. 1-1313/82: Technology transfer): ADOPTED

Mr Bombard, deputizing for the rapporteur, spoke
in favour of Amendments Nos 6, 9 and 12; and
against Amendments Nos 7/rev., 8 and 10.

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MORELAND REPORT (Doc. 1-1317/82: Natural gas): ADOPTED

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HOPPER REPORT (Doc. 1-1179/82: Rum): ADOPTED

The rapporteur spoke
in favour of Amendment No 9; and
against all other amendments.

Explanation of Vote

Mr Bombard (S). — FR) Rum, which has been produced in the French Overseas Departments for more than three centuries, is not just a potable spirit. A whole civilization which is both fascinating and peculiar to these distant French territories has grown up around the cultivation of sugar-cane and the production of rum. By making it possible for Frenchmen to sell their rum we shall be defending a legitimate economic right. Economics and right are both on the side of the present régime. These regions are economically vulnerable and have very few forms of production capable of meeting the needs of an unbalanced labour market. The rate of unemployment in the overseas territories is among the highest in the Community. It is therefore absolutely essential to encourage the maintenance of local productive activities and to help them to develop. This is what France has been doing for rum produced from sugar cane, which has been experiencing difficulties for some time, particularly by setting a lower rate of excise for rum than for potable spirits. A derogation, which is necessary, to the requirement to harmonize excise duties on alcohol would not upset the traditional trade pattern of any Member State. On the other hand, if the Council were to call into question the current French fiscal structure, it would strike a fatal blow to the rum industry and would be completely contrary to the provisions of Article 227 of the Treaty, which calls on Community institutions to ensure that these regions can develop economically and socially.

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**VON ALEMANN REPORT (Doc. 1-1205/82: Transfrontier transport policy):
ADOPTED**

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D'ORMESSON REPORT (Doc. 1-1320/82: Fishing off Guyana coast): ADOPTED

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**PAUWELYN REPORT (Doc. 1-1334/82: Fishing in Skagerrak and Kattegat):
ADOPTED**

Explanation of vote

Mr Adam (S). — I note in this report that a smaller herring catch is allowed in 1983 in the Skagerrak and the Kattegat than in 1982. This does not go as far as the advice given by ICES that herring fishing in the Skagerrak and Kattegat is inconsistent with the ban on herring-fishing in Zone IV (b) of the North Sea. However, the resolution accepts the inter-relationship between the herring-stocks in these two zones, although I must say I was rather disappointed that the Commissioner, in his reply to the debate, did not accept specifically this point.

There are other features of the agreement, such as the control of by-catches of herring in sprat-fishing, which are welcome, and I note that the sprat TAC has still to be agreed. The restoration of herring-fishing in Zone IV (b) of the North Sea must be a main object of conservation policy, and I hope that subsequent reports from the Commission will pay particular attention to this point. Despite my reservations, I shall support this agreement as an interim measure.

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BLANEY REPORT (Doc. 1-1332/82: EEC — Finland fisheries agreement): ADOPTED

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**LE ROUX REPORT (Doc. 1-1333/82: EEC — Guinea-Bissau fisheries agreement):
ADOPTED**

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CAROSSINO REPORT (Doc. 1-844/82: Ports): ADOPTED

The rapporteur spoke

in favour of Amendment No 2; and

against Amendment No 1.

Explanation of vote

Mrs Théobald-Paoli (S), in writing. — (FR) As the strongest trading power and leading importer-exporter in the world, the European Community is widely dependent on its ports and must provide aid for their development.

Without discussing in detail a report which raises many questions particularly that of excessive Community control, I nonetheless wish again to draw Parliament's attention to my own city, Toulon, which, although it is still under-utilized, is one of the best situated ports on the Western Mediterranean and one of the great Community ports of the future. Apart from the request I have already put forward for a special Community programme for Toulon, which is currently being studied by the European Parliament, I wish to defend Toulon's place as one of the great Mediterranean ports of the Community. Since it is on the same latitude as Cap Corse, it is very easily accessible; it has the finest roadstead in Europe and modern port installations which are still largely available for passenger traffic (to Corsica, the islands of the Mediterranean and North Africa and for cruises) as well as for merchant shipping. Its vast highly-skilled shipyards provide facilities for fitting out ships and carrying out any ordinary or precision repairs that may be necessary.

If we are to have a policy for Community ports, it should be primarily aimed at promoting, both within in the Community and abroad, the installations which already exist.

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CAROSSINO REPORT (Doc. 1-967/82: Transport organization): ADOPTED

The rapporteur spoke

against Amendments Nos 1, 2 and 3/rev.

Explanation of vote

Mr Welsh (ED). — We have now made the Carossino report a little more realistic, because we have not sought the harmonization of duty rates, which is quite clearly beyond the compass of the Community at this point.

I would like to congratulate Parliament here this morning on having made a very good report into an even better one.

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